

EXHIBIT "A"  
(Declaration)

[Attached]





**DECLARATION CREATING UNIT OWNERSHIP  
PURSUANT TO THE PROVISIONS OF NCGS 47C  
FOR  
SEASIDE LANDING, A CONDOMINIUM**

THIS DECLARATION is made this 12<sup>th</sup> day of July, 2007, by  
SEASIDE LANDING PARTNERS, LLC, a limited liability company organized and doing  
business Under the laws of the State of North Carolina, with an office and place of business  
located in Sunset Beach, Brunswick County, North Carolina, hereinafter referred to as the  
"DECLARANT", pursuant to the provisions of Chapter 47C, North Carolina General Statutes,  
entitled "North Carolina Condominium Act", and Bank of America National Association, Trustee and  
BRANCH BANKING AND TRUST, the Secured Construction Lender.

**ARTICLE ONE  
DEFINITIONS**

Certain terms and provisions as used in this Declaration with its attached and  
incorporated exhibits shall be defined as follows, unless the context clearly requires and indicates  
a different meaning:

- (1) **Allocated Interest:** means the undivided interests in the Common Elements, the  
Common Expense Liability, and Votes in the POA allocated to each Unit.
- (2) **POA:** means the Property Owners Association which is organized to administer this  
Condominium.
- (3) **Common Elements:** means all portions of the Condominium other than the Units  
and Limited Common Elements.
- (4) **Common Expenses:** means expenditures made by or financial liabilities of the  
POA.
- (5) **Declaration:** means this instrument which creates this Condominium, and any





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unless it plainly evident from the contact of this Declaration that a different meaning is intended, shall, as used herein, have the meaning set out in NCGS 46C-1-103.

**ARTICLE TWO  
ESTABLISHMENT OF THE CONDOMINIUM**

Declarant is the owner of a certain tract or parcel of land located in Sunset Beach, Shallotte township, Brunswick County, North Carolina, and more particularly described on Exhibit A attached hereto and incorporated herein by reference, and on which property there has been constructed one building containing a total of Fifty-two (52) Condominium Units, their supporting facilities, appurtenant improvements (which include a passenger elevator)), and amenities. The building is of wood frame construction with a combination of masonry and vinyl exterior siding as more particularly shown on the plans and specifications which appear in Unit Ownership File 11, Pages 423-432 recorded in the office of the Register of Deeds of Brunswick County which are fully incorporated herein by reference as a part of this Declaration of Condominium. The Declarant does hereby submit the above described property and improvements to Condominium ownership under the provisions of Chapter 47C of the General Statutes of North Carolina (North Carolina Condominium Act) and does hereby declare the same to be a Condominium to be known and identified as "SEASIDE LANDING, A CONDOMINIUM".

**ARTICLE THREE  
RESERVATION OF DEVELOPMENT RIGHTS  
AND SPECIAL DECLARANT RIGHTS**

The Declarant hereby reserves the right to appoint or remove any officer of the POA or any member of the Board of Directors during the period of Declarant control of the POA. Declarant also reserves the right to use the existing Seaside Landing sewer pump station for any land acquired in the future. Declarant also reserves the right for a temporary construction

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easement for any construction that might be required to connect additional properties to the sewer pump station. These, and those rights set forth in Article 14 and Article 25 below, are the only rights Declarant reserves and hereby waives all other Development rights and Special Declarant Rights.

The Development Rights and Special Declarant Rights herein reserved shall expire whenever Declarant's control over the POA expires (as defined in Article Seven) or December 31, 2015, whichever occurs first. The procedure for exercising the Development Rights contained in this Article is set out in Article Seventeen.

**ARTICLE FOUR  
DESCRIPTION OF IMPROVEMENTS  
AND UNIT DESIGNATIONS**

A graphic description of the Condominium appears in the Unit Ownership File described in Article Two. This file contains the plans and specifications for the improvements constituting the Condominium. The plans also identify the Condominium Units, the Common Elements, the Limited Common Elements and their respective locations, dimensions and the building materials used in construction of the Condominium. The Architect's As-built Verified Statement and the Surveyor's Certification as required by N.C.G.S. Section 47C-2-109 appear on the face of the plans.

Each unit is identified by a code number consisting of three (3) digits. The first digit represents the building number; the next number represents the floor number; and the last digit represents the unit location on the floor.

The Condominium Building and the individual Units located therein are identified as follows:



Standing in the parking lot facing the main building (South), the units on the first floor are designated from left to right as Units 101 through 104 and 107 through 109. The units on the second floor are designated from left to right as Units 201 through 209. The units on the third floor are designated from left to right as Units 301 through 309. The units on the fourth floor are designated from left to right as Units 401 through 409. The units on the fifth floor are designated from left to right as Units 501-509. The units on the sixth floor are designated from left to right as Units 601-609.

**ARTICLE FIVE**  
**OWNERSHIP OF UNITS AND APPURTENANT**  
**ALLOCATED INTEREST TO EACH UNIT**

Each Unit shall be conveyed and treated as an individual property capable of independent use and fee simple ownership, and the Owner of each Unit shall also own, as an appurtenance to the ownership of each Unit, an undivided interest in the Common Elements, votes in the POA and Common Expense Liabilities. The allocation in the Common Elements and of the Common Expenses of the POA are set out in percentages as of the date of this Declaration are set out in Exhibit B attached hereto and made a part hereof. The allocated interest appurtenant to each Unit as ownership in the Common Elements and the Common Expense Liability is to be determined by the square footage of each unit divided by the total number of square footage for all units. Each unit's square footage is also set out in Exhibit A.

The Allocated Voting Interest appurtenant to each unit in all cases is 1. Each unit is allocated one vote in the POA. The undivided Allocated Interest in the Common Elements and the Common Expense Liability appurtenant to each Unit may not be changed.

**ARTICLE SIX**  
**RESTRICTION AGAINST FURTHER SUBDIVISION OF**  
**UNITS; SEPARATE CONVEYANCE**  
**OF APPURTENANT COMMON ELEMENTS PROHIBITED**

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No Unit may be divided or subdivided into a smaller Unit than is shown on the plans which are in the Unit Ownership File for this condominium referred to in Article Two. The undivided interest in Common Elements appurtenant to each Unit shall be deemed conveyed, devised, encumbered or otherwise included with the Unit, even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering or otherwise dealing with such Unit. Any conveyance, mortgage or other instrument which purports to grant any right, interest or lien in, to or upon the unit shall be null, void and of no effect insofar as the same purports to affect any interest in a Unit and its appurtenant undivided interest in Common Elements, unless the same purports to convey, devise, encumber or otherwise trade or deal with the entire Unit. Any instrument conveying, devising, encumbering or otherwise dealing with any Unit, which describes the Unit by the numerical designation assigned thereto in Article Four without limitation or exception, shall be deemed and construed to affect the entire Unit and its appurtenant undivided interest in the Common Elements. Nothing herein contained shall be construed as limiting or preventing ownership of any Unit and its appurtenant undivided interest in the Common Elements by more than one person or entity as tenants in common, joint tenants, or as tenants by the entirety.

**ARTICLE SEVEN**  
**ADMINISTRATION OF THE CONDOMINIUM**

A. A North Carolina corporation known and designated as **SEASIDE LANDING PROPERTY OWNER'S ASSOCIATION, INC (POA)** has been organized to provide for the administration of the Condominium. The POA is responsible for causing the Common Elements to be maintained, repaired and replaced when necessary and to assess the Unit Owners as necessary to recover the cost of such maintenance, repair or replacement. In this connection, even though the exterior doors and windows to the Units, the balconies and the assigned storage



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areas are Limited Common Elements, they shall be maintained as if they were Common Elements by the POA and the cost thereof included in the POA budget; otherwise, the cost of maintenance, repair or replacement of any other Limited Common Elements shall be assessed against any Unit being benefited by the Limited Common elements. In order to carry out this responsibility, the POA is granted all the powers contained in N.C.G.S. 47C-3-102, and these Powers shall be carried out in accordance with the terms of its Articles of Incorporation and Bylaws. Each Unit Owner shall automatically become a member of the POA upon his acquisition of an ownership interest in any Unit and its appurtenant undivided interest in the Common Elements. The membership of any Owner shall terminate automatically upon his being divested of ownership interest in the title to such Unit.

B. Subject to the provisions of Section C of this Article Seven, the Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any Officer or Officers of the POA until such time as the first of the following events occurs: (i) 120 days after conveyance of 75% of the Units to Unit Owners other than the Declarant; or (ii) 2 years after the Declarant has ceased to offer the Units for sale in the ordinary course of business. Any member of the Board of Directors or Officer of the POA designated and selected by the Declarant need not be a Unit Owner or a resident of the property.

C. Not later than 60 days after conveyance of 25% of the Units to Unit owners other than the Declarant, at least one member and not less than 25% of the members of the Board of Directors shall be elected by Unit Owners other than the Declarant. Not later than 60 days after conveyance of 50% of the Units, to Unit Owners other than the Declarant, not less than 33% of the members of the Board of Directors shall be elected by Unit Owners other than the Declarant. Upon termination of the period of the Declarant control of the POA, the Unit Owners shall elect

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a three member Board of Directors, at least two of whom must be Unit Owners. The Board of Directors shall elect the officers of the POA. Members of the Board of Directors and Officers shall take their office upon election.

**ARTICLE EIGHT  
ASSESSMENTS:  
LIABILITY, LIEN AND ENFORCEMENT**

The POA is given the authority to administer the operation and management of the Condominium (including making capital improvements as necessary) being that the delegation of such duties to one entity is in the best interest of the Owners of all Units. To properly administer the operation and management of the condominium, the POA will incur, for the mutual benefit of all Owners, costs and expenses as necessary for the same purposes; therefore, the POA is granted the right to make, levy and collect assessments against the Unit Owners and their Units. In furtherance of this grant of authority to the POA to make, levy and collect assessments to pay the costs and expenses of these items, the following provisions shall be operative and binding upon the Owners of all Units.

A. Unless specifically provided for otherwise in this Declaration, Common Expenses must be assessed against all Units in accordance with the allocations set forth in Article Five of this Declaration.

B. Subject to the provisions of Section C of this Article Eight, assessments provided for herein shall be payable in quarterly installments as determined by the Board of Directors of the POA. Assessments for each Unit shall commence on the first day after the day this Declaration is recorded in the Brunswick County Public Registry (should future phases be incorporated into the Condominium, assessments for these Units shall commence on first day after the day the amendment to this Declaration incorporating these Units into the condominium is recorded).



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C. In addition to the annual assessment authorized above, the Board of Directors may levy a special assessment for the purpose of:

1. Funding any shortages caused by increase in insurance premiums on the premises; and
2. Defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Common Elements, including fixtures and personal property related thereto; and
3. As an aid in funding any special assessment, the POA shall specifically have the right to assign its right to future income, including the right to receive Common Expense Assessments.

D. In order to insure that the POA will have sufficient money available to meet operational needs, a Working Capital Fund is hereby established. At the time of closing on the first sale of each Unit, and every resale or conveyance of a Unit thereafter, the purchaser thereof shall pay into such Fund an amount equal to the quarterly assessment for the Unit. Any such payment made to the Working Capital Fund may be used for operating expenses and shall be held and administered by the POA in accordance with the terms of this Declaration and the Bylaws.

E. The Board of Directors of the POA shall establish an Annual Budget in advance for each fiscal year. Such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves, and the budget shall take into account anticipated income which is to be applied as a reduction of the amounts required to be collected as an assessment each year. The Board of Directors shall keep separate items relating to

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operation and maintenance from items relating to capital improvements. Upon adoption of the Annual Budget by the Board of Directors of the POA, copies shall be delivered to each owner of a Unit and the assessment for the year shall be established based upon the Budget, although the failure to deliver a copy of the Budget to each owner shall not affect the liability of any owner for the assessment.

F. All money collected by the POA shall be treated as separate property of the POA and may be applied by the POA to the payment of any expense of operation and management of the Condominium, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration of Condominiums, the Articles of Incorporation or the Bylaws of the POA. Assessment money collected from the Unit Owners may be commingled. Although all funds and common surplus, including other assets of the POA, and any increments thereto or profits derived there from or from the leasing or use of Common Elements, shall be held for the benefit of the members of the POA, no member of the POA shall have the right to assign, hypothecate, pledge or in any manner transfer his ownership interest therein, except as an appurtenance to his Unit. When the Owner of a Unit ceases to be a member of the POA by reason of his divestment of ownership of such Unit, by whatever means, the POA shall not be required to account to such owner for any share of the funds or assets of the POA, or which may have been paid to the POA by such owner, as all money which any owner has paid to the POA shall be and constitute an asset of the POA which may be used in the operation and management of the Condominium.

G. The payment of any assessment or installment thereof shall be in default if such assessment or installment is not paid to the POA within thirty (30) days of the due date for such payment. When in default, the delinquent assessment or delinquent installment thereof due the POA shall bear interest at the highest rate allowed by law until such delinquent assessment or

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installment thereof, and all interest due thereon, has been paid in full to the POA. All money owing to the POA shall be payable to the Managing Agent or as otherwise directed by the Board of Directors.

H. The owner or owners of each Unit shall be personally liable, jointly and severally, to the POA for the payment all assessments, regular or special, which may be levied by the POA against such Units while such party or parties are owner or owners of a Unit. In the event that any Unit Owner is in default in payment of any assessment or installment thereof owed to the POA, such Unit owner or Owners shall be personally liable, jointly and severally, for interest on such delinquent assessment or installment thereof as above provided, and for all costs of collecting such assessment or installment thereof and interest thereon, including reasonable attorneys fees, whether suit be brought or not.

I. No Owner of a Unit may exempt himself from liability for any assessment levied against him or his Unit by waiver of the use of enjoyment of any of the Common Elements, or by abandonment of the Unit or in any other way.

J. Recognizing that prompt payment of all assessments is necessary for proper operation and management of the condominium, any assessment levied against the Owner of a Unit remaining unpaid for a period of thirty (30) days shall be charged a late fee to in an amount determined by the Board in the POA's collection policy and shall constitute a lien on that Unit when filed of record in the Office of the Brunswick County Clerk of Court in the manner provided by Article 8 or Chapter 44 of the North Carolina General Statutes. The Claim of Lien shall state the description of the Unit encumbered thereby, the name of the record Owner, the amount due and the date when due and shall be signed and verified by an officer or agent of the POA. Upon full payment of all sums secured by such lien, it shall be satisfied of record.

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This lien shall secure all money due plus interest, if any, for all assessments then or thereafter levied against the Owner of the Unit. The lien shall further secure any advances for taxes and payments on account of superior mortgages, liens or other encumbrances which may be required to be advanced by the POA in order to preserve and protect its lien, including interest thereon.

This lien may be foreclosed in like manner as a mortgage on real estate under power of sale under Article 2A, Chapter 45 of the North Carolina General Statutes. Fees, charges, late charges, fines and interest are enforceable as assessments under this provision.

The lien provided for by this Article is prior to all other liens and encumbrances on a Unit, except (i) liens and encumbrances (specifically including, but not limited to, a mortgage or deed of trust on the Unit) recorded before the docketing of the lien in the Office of the Clerk of Superior Court, and (ii) liens for real estate taxes and other governmental assessments or charges against the Unit. This provision shall not affect the priority of mechanics or materialmen's liens.

A lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three (3) years after the docketing thereof in the Office of the Superior Court of Brunswick County. The lien granted by this Article does not prohibit actions to recover sums for which a lien is created or prohibit the POA from making a deed in lieu of foreclosure.

A judgment, decree, or order in any action brought under this Article must include costs and reasonable attorney fees for the prevailing party.

Where the holder of a first mortgage or first deed of trust of record, or other purchaser of a Unit, obtains title to the Unit as a result of foreclosure of a first mortgage or first deed of trust, such purchaser and his (its) heirs, successors and assigns, shall not be liable for the assessments against the Unit which became due prior to acquisition of title to the Unit by such purchaser.

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These unpaid assessments shall be deemed to be Common Expenses collectable from all the Unit Owners including such purchaser and its heirs, successors and assigns. In addition to the abovementioned lien, a late fee may be charged if not paid within 10 days of the due date for each assessment.

K. In the event a Unit is leased, sold or mortgaged at the time when payment of any assessment is past due (whether or not a Claim of Lien has been recorded by the POA), then the rent, proceeds of sale or mortgage shall be applied by the lessee or purchaser first to payment of any then delinquent assessment or installments thereof due to the POA before the payment of any rent, proceeds of sale or mortgage to the owner who is responsible for payment of such delinquent assessment.

L. In any voluntary conveyance of a Unit, the purchaser thereof shall be jointly and severally liable with seller for all unpaid assessments against the seller made prior to the time of the voluntary conveyance, without prejudice to the right of the purchaser to recover from seller the amounts paid by purchaser previously. The Association may, in its sole discretion, provide a certificate of assessment. The Association shall set the fee for providing a certificate of assessment as provided in the Association By-Laws.

M. Institution of a suit at law to attempt to effect collection of the payment of any delinquent assessment shall not be deemed to be an election by the POA which shall prevent it from thereafter seeking, by foreclosure action, enforcement of the collection of any sums remaining owing to it, nor shall proceeding by foreclosure to attempt collection be deemed to be an election precluding the institution of a suit at law to collect any sum then remaining owing to the POA.

**ARTICLE NINE  
COMMON SURPLUS**

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Any surplus funds of the POA remaining after payment of or provision for Common Expenses and any prepayment of reserves shall be used for future operating expenses and/or placed into the reserve account.

**ARTICLE TEN  
USE OF COMMON ELEMENTS**

Each Unit Owner, his lessees, invitees, or guests shall have the right to use the Common Elements in accordance with the purposes for which they are intended and for all purposes incident to the use and occupancy of his Unit, and such right shall be appurtenant to and run with his Unit; provided, however, no person shall use the Common Elements or any part thereof in such a manner as to interfere with or restrict or impede the use thereof by others entitled to the use thereof or in any manner contrary to or not in accordance with this Declaration, the Bylaws, and such rules and regulations as may be established from time to time by the Board of Directors.

**ARTICLE ELEVEN  
ASSIGNMENT OF STORAGE AREAS**

Each Unit Owner shall have the exclusive use of one (1) designated storage area located adjacent to the Unit or on the ground floor. These areas are Limited Common Elements and are identified on the plans by the Unit designation for which their exclusive use is limited.

**ARTICLE TWELVE  
RIGHT OF THE POA TO ALTER AND  
IMPROVE COMMON ELEMENTS AND ASSESSMENTS THEREFOR**

The POA shall have the right to make or cause to be made such alterations or improvements to the Common Elements including the right to grant and establish upon, over and across the Common Elements such easements as are necessary or desirable for providing

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service or utilities to the Units and the Common Elements) which do not materially prejudice the rights of the owner of any Unit in the use and enjoyment of his Unit, provided the making of such alterations and improvements are approved by the Board of Directors of the POA, and the cost of such alterations or improvements shall be borne by the Owner. Expenses to be assessed and collected from all of the owners of Units. However, where any alterations and improvements are exclusively or substantially for the benefit of the Owner or Owners of certain Unit or Units requesting the same, then the cost of making, maintaining, repairing and insuring such alterations or improvements shall be assessed against and collected solely from the Owner or Owners of the Unit or Units exclusively or substantially benefited by the assessment to be levied in such proportion as may be determined by the Board of Directors of the POA.

**ARTICLE THIRTEEN  
MAINTENANCE AND REPAIR BY  
OWNERS OF UNITS**

Every owner shall promptly perform all maintenance and repair work within his Unit which, if omitted would affect the Condominium, either in its entirety or in part belonging to other owners, every owner being expressly responsible for the damages and liability which his failure to do so may engender. The owner of each Unit shall be liable and responsible for the maintenance, repair and replacement, as the case may be, of all of the Unit's air conditioning and heating equipment, including compressors, ducts, wiring, pipes and so forth. He shall also be responsible for the upkeep of any utility fixtures and/or their connections required to provide water, light, power, telephone, cable TV, sewage and sanitary service to his Unit from the point of entry into his Unit. Such owner shall further be responsible and liable for the maintenance, repair and replacement of the exterior surfaces of any and all walls, ceilings and floors within his Unit including painting, decorating and furnishings, and all other accessories which such owner

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may desire to place or maintain in his Unit. Whenever the maintenance, repair and replacement of any item for which the owner of a unit is obligated to maintain, replace or repair at his own expense is occasioned by any loss or damage which may be covered by any insurance maintained in force by the POA, the proceeds of the insurance received by the POA shall be used for the purpose of making such maintenance, repair or replacement except that the owner of such Unit shall be, in such instance, required to pay such portion of the costs of such maintenance, repair and replacement as shall, be reason of the applicability of any deductibility provision of such insurance, exceed the amount of the insurance proceeds applicable to such maintenance, repair or replacement. Except as provided in Article Seven, Paragraph A, the Owner of a Unit who has exclusive use of any Limited Common Element shall maintain such at his own expense.

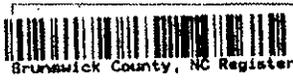
**ARTICLE FOURTEEN  
EASEMENTS**

A. Each Unit Owner shall have a perpetual nonexclusive easement in common with all other Unit Owners to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and service his Unit. Each Unit shall be subject to a perpetual non-exclusive easement in favor of all other Unit Owners to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Directors shall have the right of access to each Unit to remove violations therein and to maintain, repair or replace the Common Elements contained therein.

B. To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, a valid easement for the encroachment is hereby granted pursuant to N.C.G.S. 47C-2-114. The Declarant further hereby reserves such easements through the Common

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Elements as may be reasonably necessary for the exercise of the Special Declarant Rights pursuant to N.C.G.S. 47C-2-116.

C. The Board of Directors may hereafter grant easements for utility purposes for the benefit of the property including the right to install, lay, maintain, repair and replace water lines, pipes ducts, sewer lines, gas mains, telephone and cable TV wires and equipment and electrical conduits, and wires over, under, along and on any portion of the Common Elements; and each Unit Owner hereby grants to the Board of Directors an irrevocable power of attorney to execute, acknowledge and record for and in the name of each Unit Owner such instruments as may be necessary to effectuate the foregoing and said Unit Owner hereby binds himself, his grantee(s), heirs, devisees, executors, administrators, successors and assigns.

D. In case of emergency originating in or threatening any Unit or the Common Elements, regardless of whether the Unit Owners are present at the time of such emergency, the Board of Directors, or any other person authorized by it, shall have the right to enter any Unit for the purpose of remedying or abating the cause of such emergency and making any other necessary repairs or maintenance not performed by the Unit Owners, and such right of entry shall be immediate.

E. The Declarant reserves for itself, its successors and assigns the right to use and/or grant easements for drainage, storm water management, and utility purposes for the benefit of the property, including the right to install, lay, maintain, repair and replace water lines, pipes, ducts, sewer lines, gas mains, telephone and cable TV wires and equipment and electrical conduits, wires and drainage structures over, under, along and on any portion of the Common Elements.

F. The Declarant reserves for itself, its successors and assigns, all the rights defined in Section E of this Article together with the right of ingress, egress and regress over and along the

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streets which constitute a part of the Common Elements of the Condominium for the purpose of development and utilization by subsequent purchasers of the Declarant's adjoining properties.

**ARTICLE FIFTEEN**  
**NO PARTITIONING OF ALLOCATED**  
**INTERESTS IN COMMON ELEMENTS**

Recognizing that the proper use of a Unit by an Owner or Owners is dependent upon the use and enjoyment of the Common Elements with the Owners of all other Units, and that it is in the interest of all Owners that the ownership of the Common Elements be retained in common by the Owners, it is hereby declared that the Allocated Interest in the Common Elements appurtenant to each Unit shall remain undivided and no Unit Owners shall bring or have any right to bring any action for partitioning or division.

**ARTICLE SIXTEEN**  
**LIENS ON THE COMMON ELEMENTS**

A judgment for money against the POA is not a lien on the Common Elements, but if docketed in the Brunswick County Clerk of Courts Office, shall be a lien in favor of the judgment lienholder against all of the Units in the Condominium at the time the judgment was entered. No other property of a Unit Owner is subject to the claim of creditors of the POA. Notwithstanding this statement however, if the POA grants a security interest in the Common Elements to a creditor of the POA, the holder of the security interest must exercise its right against Common Elements before its judgment lien on any Unit may be enforced. If a lien (other than a deed of trust) becomes effective against two or more Units, the Unit Owners of any effected Unit may pay the lienholder the amount of the lien attributable to his Unit and obtain a release of the lien on his Unit.

**ARTICLE SEVENTEEN**  
**AMENDMENTS**

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Except for an amendment to the Declaration to exercise the Development Rights retained by the Declarant pursuant to Article Three or as otherwise permitted by N.C.G.S. 47C-2-117, this Declaration may only be amended by the affirmative vote of or written agreement signed by the Unit Owners of two-thirds (2/3) of the Units in the POA.

**ARTICLE EIGHTEEN  
AMENITIES**

The swimming pool, hot tub, equipped exercise room, meeting/party room, pier, floating dock, and the temporary boat slips are the recreational amenities; and these facilities are part of the Common Elements. The boat slips, on a space available basis, may only be used for temporary docking (24 hours or less). Any boat or other water craft remaining in a slip for more than twenty-four (24) consecutive hours may be removed by or at the direction of the POA or the Managing Agent at the Owner's risk and expense. The equipped exercise room, and the meeting/party room will be incorporated into the Condominium. These facilities will be a part of the Common Elements.

**ARTICLE NINETEEN  
INSURANCE**

A. Commencing not later than the time of the first conveyance of a Unit to a person other than the Declarant, the POA shall maintain to the extent available:

1. Property insurance on the Common Elements and Units insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage perils. The total amount of insurance after application of any deductibles shall be not less than one hundred percent (100%) of the replacement cost of the insured property at



the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies; and

2. Liability insurance in the amount of at least one million dollars \$1,000,000.00 reasonable amounts, covering all occurrences commonly insured against death, bodily injury and property damage arising out of or in connection with the use, ownership or maintenance of the Common Elements.

B. The insurance maintained under subsection Section A, Paragraph 1 need not include improvements and betterments installed by Unit Owners.

C. If the insurance described in Section A is not reasonably available, the POA shall promptly cause notice of that fact to be hand delivered or sent prepaid by the United States Mail to all Unit Owners. The POA may carry any other insurance it deems appropriate to protect the POA or the Unit Owners.

D. Insurance policies carried pursuant to Section A must provide that:

1. Each Unit Owner is an insured person under the policy with respect to liability arising out of his interest in the Common Elements or membership in the POA;
2. The insurer waives its right to subrogation under the policy against any Unit Owner or members of his household;
3. No act or omission by any Unit Owner, unless acting within the scope of his authority on behalf of the POA will



proclude rcovery under the policy; and

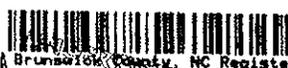
- 4. If, at any time of a loss under the policy, there is other insurance in the name of the Unit Owner covering the same risk covered by the policy, the POA's policy provides primary insurance.

E. Any loss covered by the property policy under subsections Section A, Paragraph 1, and Section B shall be adjusted with the POA, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the POA, and not to any mortgagee or beneficiary under a deed of trust. The insurance trustee or the POA shall hold any insurance proceeds in trust for Unit Owners and lienholders as their interests may appear. Subject to the provisions of Section H, the proceeds shall be disbursed first for the repair or restoration of the damaged property and Unit Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the Condominium is terminated.

F. An insurance policy issued to the POA does not prevent a Unit Owner from obtaining insurance for his own benefit.

G. An insurer that has issued an insurance policy under this section shall issue certificates or memoranda of insurance to the POA and upon written request, to any Unit Owner, mortgagee or beneficiary under a deed of trust. The insurer issuing the policy may not cancel or refuse to renew it until thirty (30) days after notice of the proposed cancellation or non-renewal has been mailed to the POA, each Unit Owner and each mortgagee or beneficiary under a deed of trust to whom certificates or memoranda of insurance have been issued at their respective last known addresses.

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H. Any portion of the Condominium for which insurance is required under this section which is damaged or destroyed shall be repaired or replaced promptly by the POA unless (1) the Condominium is terminated, (2) repair or replacement would be illegal under any State or local health or safety statute or ordinance, or (3) the Unit Owners decide not to rebuild by an eighty percent (80%) vote, including one hundred percent (100%) approval of owners of Units not to be rebuilt or Owners of Limited Common Elements not to be rebuilt. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If the entire Condominium is not replaced, (1) the insurance proceeds attributable to the damaged Common Elements shall be used to restore the damaged area to a condition compatible with the remainder of the Condominium, (2) the insurance proceeds attributable to Units and Limited Common Elements which are not rebuilt shall be distributed to the owners of those Units and the owners of the Units to which those Limited Common Elements were allocated or to lienholders, as their interest may appear, and (3) the remainder of the proceeds shall be distributed to all the Unit Owners or lienholders, as their interest may appear, in proportion to their Common Element interest. If the Unit Owners vote not to rebuild any Unit, that Unit's Allocated Interests are automatically reallocated upon the vote as if the unit had been condemned under N.C.G.S. 47C-1-107(a), and the POA shall promptly prepare, execute and record an amendment to the Declaration reflecting the reallocations. Notwithstanding the provisions of this subsection, N.C.G.S. 47C-2-118 governs the distribution of insurance proceeds if the Condominium is terminated.

Without limitation, the Insurance Assessment by the POA shall include satisfaction of the Association's obligations regarding the Common Properties and Condominium Units to pay hazard and liability insurance. The Insurance Assessment

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shall not include the personal property of a Unit owner. Should the premium increase during a budget year, the Insurance Assessment will be increased accordingly.

**ARTICLE TWENTY  
TIME SHARE**

No Unit may be owned or occupied in a time share form of ownership.

**ARTICLE TWENTY-ONE  
WATER AND SEWER**

Sewer will be furnished to the condominium by the Brunswick County Utility Department. Water will be furnished by the Town of Sunset Beach or by Brunswick County Utility Department.

**ARTICLE TWENTY-TWO  
STORMWATER REGULATIONS AND  
INFRA-STRUCTURE MAINTENANCE**

A. As part of the planning process and preceding the establishment of the Condominium, Declarant applied to the Division of Water Quality (DWQ) of the N. C. Department of Environment and Natural Resources (NCDNR) and obtained Storm water Permit Number SW8 050558 for the Condominium. Pursuant to the terms of that Permit, the Declarant hereby states that:

1. The following covenants are intended to insure ongoing compliance with Storm water Permit Number SW8 050558 as issued by NCDNR. These Covenants may not be changed or deleted without consent of the State.
2. No more than 99,732 square feet of the total project area shall be covered by structures or impervious materials. Impervious materials include asphalt, gravel, concrete, brick, stone, slate or similar material but do not include wood decking or the water surface of swimming pools.



- 3. Swales shall not be filled in, piped or altered except as necessary to provide driveway crossings.
- 4. Built-upon areas in excess of the permitted amount require state storm water management permit modifications prior to construction.
- 5. All permitted runoff from out-parcels or future development shall be directed into the storm water system. These connections to the storm water system shall be performed in a manner that maintains the integrity and performance of the system as permitted.

B. The storm water retention facilities and other elements of the storm water drainage system are a part of the Common Elements; and, therefore, the cost of maintenance of these items and the ongoing compliance with the storm water permit shall be included in the POA's Annual Budget.

**ARTICLE TWENTY-THREE**  
**STATEMENT OF PURPOSES, USE AND RESTRICTIONS**

The Units and Common Elements shall be occupied and used as follows:

- A. All Units are limited to residential use, however rentals or leases of less than thirty (30) consecutive days are not allowed.
- B. There shall be no obstruction of the Common Elements. Nothing may be stored in the Common Elements without the prior written consent of the Board of Directors.
- C. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Common Elements or any other Unit without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which would result in the cancellation of insurance



on any Unit or any part of the Common Elements, or which would be in violation of any law.  
No waste of the Common Elements shall be permitted or committed.

D. No signs of any kind (including "for sale" signs) shall be displayed to the public view from any Unit or from the Common Elements.

E. No animals, livestock, or poultry of any kind may be raised, bred or kept in any Unit or in the Common Elements; however, up to two (2) household pets may be kept in the Units subject to the rules adopted by the Board of Directors. In this connection, Rottweilers, Doberman Pinschers, Pit Bulls, Weimaranas, snakes and any other kind of exotic creature are hereby deemed not to be household pets and, therefore, may not be kept in any Unit or Common Elements of the Condominium. All parties are hereby notified that, in the event any dog kept or maintained in a Unit barks excessively, continuously or in a manner that constitutes a nuisance, the Board may require such dog to wear a collar designed to reduce or control such excessive barking, provided that such action shall in no event limit any other rights or remedies for such situation that may be available to the Board or to any other parties at law or in equity.

F. No noxious, offensive, unlawful, immoral or improper activity shall be carried on in any Unit or in the Common Elements; nor shall anything be done therein which will be an annoyance or nuisance to other owners.

G. Nothing shall be altered or constructed in or removed from the Common Elements except with the prior written consent of the Board of Directors.

H. The Board of Directors of the POA is authorized to adopt rules for the use of the Common Elements, said rules to be furnished in writing to the Unit Owners.

I. Except with the written consent of the Board of Directors, no natural barriers in the form of trees, bushes or shrubs and no man-made structures shall be permitted on or about the

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Common Elements, except such natural barriers and man-made structures existing on the date of this Declaration.

J. Insurance Deductibles. In the event of a loss or damage to the Common Elements, which may be covered by any insurance maintained by the Association, the deductible shall be paid as a Common Expense. In the event of a loss of damage to any part of a Unit or Units which a Unit Owner(s) is obligated to maintain, repair or replace which may be covered by any insurance maintained by the Association, the deductible shall be paid by the Unit Owner(s) affected. Whenever a loss or damage occurs which may be covered by any insurance maintained by the Association to the Common Elements and a Unit or multiple Units, the deductible shall be paid on a pro rata basis, based upon the amount of the covered loss or damage received by the Unit Owner(s) and Association as they are affected. For example: if a covered loss or damage occurs in the total amount of \$100,000, with a \$60,000 loss to the Common Elements, a \$10,000 loss to unit "A" and a \$30,000 loss to unit "B", the Association will pay 60% of the deductible as a Common Expense, Unit Owner "A" will pay 10% of the deductible, and Unit Owner "B" will pay the remaining 30% of the deductible.

**ARTICLE TWENTY-FOUR**  
**REMEDIES IN EVENT OF DEFAULT**

The Owner or Owners of each Condominium Unit shall be governed by and shall comply with the provisions of this Declaration of Condominium, the Articles of Incorporation and Bylaws of the POA, as any of the same are now constituted or as they may be amended from time to time. A default under the provision of any one of these documents by the Owner of any Condominium Unit shall entitle the POA or the Owner of other Condominium Units to the following relief:

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A. An action to recover sums dues for damages, injunctive relief, foreclosure of liens or any combination thereof, which action may be brought by the POA or, if appropriate, by an aggrieved Unit Owner.

B. Each Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guest, employees, agents or lessces, but only to the extent that such expense is not met by the proceeds of insurance carried by the POA. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a Condominium Unit or its appurtenances. Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

C. In any proceeding arising because of an alleged default by a Unit Owner, the POA or any Unit Owner adversely affected, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be determined by the Court.

D. The failure of the POA or any Unit Owner to enforce any right, provision, covenant, or condition which may be granted by this Declaration of Condominium or the other above mentioned documents shall not constitute a waiver of the right of the POA or of the Unit Owner to enforce such right, provision, covenant or condition in the future.

E. All rights, remedies and privileges granted to the POA or the Owner or Owners of a Condominium Unit, pursuant to any terms, provisions, covenants or conditions of the Declaration of Condominium or the other above mentioned documents, shall be deemed to be cumulative; and the exercise of any one or more shall not be deemed to constitute an election of Remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party as law or in equity.

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F. The failure of Declarant to enforce any right, privilege, covenant or condition which may be granted to it by this Declaration of Condominium or other above mentioned documents shall not constitute a waiver of the right of Declarant to thereafter enforce such right, privilege, covenant or condition in the future.

**ARTICLE TWENTY-FIVE  
USE OF UNITS AND COMMON ELEMENTS  
FOR SALES PURPOSES**

The Declarant reserves the right to maintain a sales office and model sales Units during the period of time that it is actively selling Units in the Condominium. The Declarant further reserves the right to make use of the Common Elements for the purpose of maintaining sales booths, placing advertising material and otherwise as it deems expedient. The Declarant may use any Unit it chooses for this purpose and may make whatever use of the Common Elements it chooses for these purposes.

**ARTICLE TWENTY-SIX  
INVALIDITY**

The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity and enforceability of the remainder of this Declaration; and in such event, all the other provisions of this Declaration shall continue in full force and effect as if such invalid provision had never been included herein.

**ARTICLE TWENTY-SEVEN  
WAIVER**

No provisions contained in the Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

**ARTICLE TWENTY-EIGHT  
CAPTIONS**

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RECEIVED

The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

**ARTICLE TWENTY-NINE  
LAW CONTROLLING**

This Declaration and The Articles of Incorporation and Bylaws of the POA shall all be construed and controlled by and under the laws of the State of North Carolina.

**ARTICLE THIRTY  
LIBERAL CONSTRUCTION**

The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan of Condominium ownership as provided in the North Carolina Condominium Act. Throughout this Declaration, wherever appropriate, the singular shall include the plural and the masculine gender, the feminine or neuter, as the context permits or requires.

**ARTICLE THIRTY-ONE  
ENCUMBRANCES**

BB&T Collateral Service Corporation, Trustee, and Branch Banking and Trust, the Secured Construction Lender, join in this Declaration for the purpose of subordinating the construction loan deed of trust appearing in Book 2374 at Page 1344 of the Brunswick County Registry to this Declaration creating unit ownership pursuant to the North Carolina Condominium Act.

**ARTICLE THIRTY-TWO  
PROVISIONS AS TO MORTGAGES**

Prior to any material changes being performed to the condominium, 51 or more percent of the mortgagees of the Units in the entire Condominium must be notified in

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B2654 P0536 08-08-2007 15:34:40.000  
 Robert J. Robinson  
 Brunswick County, NC Register of Deeds page 32 of 35



B2653 P0550 08-03-2007 15:34:40.000  
 Robert J. Robinson  
 Brunswick County, NC Register of Deeds page 32 of 33

IN TESTIMONY WHEREOF, the Parties have executed this Declaration, the day and year first above written.

UNCERTIFIED

Seaside Landing Partners, LLC  
 BY: [Signature]  
 Member-Manager

UNCERTIFIED

[Signature]  
 Title: Branch Banking and Trust  
 BY: [Signature]  
 Title: Vice President

STATE OF NORTH CAROLINA  
 COUNTY OF BRUNSWICK

UNCERTIFIED

I, Carol Holmberg, Notary Public of the County and State aforesaid, certify that Walter D. Knott II and [Signature], Member-Managers of SEASIDE LANDING PARTNERS LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

WITNESS my hand and official seal, this 3rd day of August, 2007.

My Commission Expires: 09/10/2011  
[Signature]  
 Notary Public Carol Holmberg



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B2654 P0537 06-26-2007  
 Robert J. Robinson  
 Brunswick County, NC Register of Deeds page 33 of 38



B2653 P0551 06-23-2007  
 15:34:48.000  
 Robert J. Robinson  
 Brunswick County, NC Register of Deeds page 33 of 33

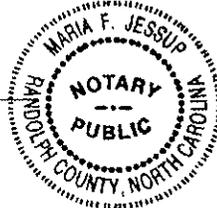
STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

I, Maria F. Jessup, Notary Public of the County and State aforesaid, certify that James G. Gouty, Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein set forth.

WITNESS my hand and official seal, this 2 day of August, 2007.

*Maria F. Jessup*  
 Notary Public



My Commission Expires: 06/26/2009

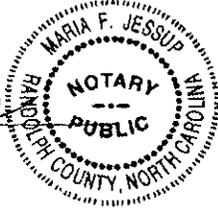
STATE OF NORTH CAROLINA

COUNTY OF RANDOLPH

I, Maria F. Jessup, Notary Public of the County and State aforesaid, certify that Tammy L Price personally appeared before me this day and acknowledged that she is Vice President of Branch Banking and Trust, a North Carolina Corporation, and that she, as Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

WITNESS my hand and official seal, this 2 day of August, 2007.

*Maria F. Jessup*  
 Notary Public



My Commission Expires: 06/26/2009

UNCERTIFIED



B2654 P0538 06-06-2007 16:04:57.000  
Brunswick County, NC Register of Deeds page 34 of 38

IN TESTIMONEY WHEREOF, the Parties have executed this Declaration, the day and year first above written.

UNCERTIFIED

Seaside Landing Partners, LLC

BY: [Signature]  
Member-Manager

UNCERTIFIED

[Signature]  
Trustee

BY: [Signature]  
Title: AVP

UNCERTIFIED

Branch Banking and Trust

STATE OF NORTH CAROLINA  
COUNTY OF BRUNSWICK

UNCERTIFIED

I, Melanie Phillips, Notary Public of the County and State aforesaid, certify that Walter D. Krott II and \_\_\_\_\_ Member-Managers of SEASIDE LANDING PARTNERS LLC, a limited liability company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the company.

WITNESS my hand and official seal, this 6<sup>th</sup> day of August, 2007.

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[Signature]  
Notary Public

My Commission Expires: 3/23/2010



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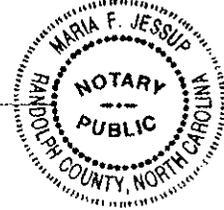
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STATE OF NORTH CAROLINA  
COUNTY OF RANDOLPH

I, Maria F Jessup, Notary Public of the County and State aforesaid, certify that James G Gouty, Trustee, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein set forth.

WITNESS my hand and official seal, this 3 day of August, 2007.

*Maria F. Jessup*  
Notary Public



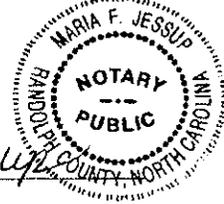
My Commission Expires: 06/26/2009

STATE OF NORTH CAROLINA  
COUNTY OF RANDOLPH

I, Maria F Jessup, Notary Public of the County and State aforesaid, certify that Shane Hendren personally appeared before me this day and acknowledged that he is Assistant Vice President of Branch Banking and Trust, a North Carolina Corporation, and that he, as Assistant Vice President, being authorized to do so, executed the foregoing instrument on behalf of the corporation.

WITNESS my hand and official seal, this 3 day of August, 2007.

*Maria F. Jessup*  
Notary Public



My Commission Expires: 06/26/2009

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**EXHIBIT A**

**TRACT ONE:**

BEING ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING 4.39 ACRES AS SHOWN ON A SURVEY BY BOBBY M. LONG, RLS, DATED 06-24-2004 AND DULY RECORDED IN MAP BOOK 30 AT PAGE 507 OF THE BRUNSWICK COUNTY REGISTRY.

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**LESS AND EXCEPT:**

BEING ALL OF THAT TRACT OF LAND SHOWN AS LOT 2 CONTAINING 0.079 ACRES ON A PLAT RECORDED IN MAP BOOK 34 AT PAGE 216, BRUNSWICK COUNTY REGISTRY.

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**TRACT TWO:**

BEING ALL OF THAT TRACT OF LAND SHOWN AS LOT 1 CONTAINING 0.079 ACRES ON A PLAT RECORDED IN MAP BOOK 34 AT PAGE 216, BRUNSWICK COUNTY REGISTRY. (THIS TRACT IS TO BE COMBINED WITH TRACT ONE PER DEED RECORDED IN DEED BOOK 2315 AT PAGE 1128)

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EXHIBIT B

|                      | Unit Sq Footage | Unit Layout | Total Building Heated Sq Ft | % Ownership    | # of Votes in POA |
|----------------------|-----------------|-------------|-----------------------------|----------------|-------------------|
| 101                  | 2100            | A           | 82228                       | 2.554%         | 1                 |
| 102                  | 1418            | B           | 82228                       | 1.724%         | 1                 |
| 103                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 104                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 107                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 108                  | 1418            | B           | 82228                       | 1.724%         | 1                 |
| 109                  | 2100            | A           | 82228                       | 2.554%         | 1                 |
| <b>Floor 1 Total</b> | <b>11323</b>    |             |                             | <b>13.770%</b> | <b>7</b>          |
| 201                  | 2100            | A           | 82228                       | 2.554%         | 1                 |
| 202                  | 1418            | B           | 82228                       | 1.724%         | 1                 |
| 203                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 204                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 205                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 206                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 207                  | 1429            | C           | 82228                       | 1.738%         | 1                 |
| 208                  | 1418            | B           | 82228                       | 1.724%         | 1                 |
| 209                  | 2100            | A           | 82228                       | 2.554%         | 1                 |
| <b>Floor 2 Total</b> | <b>14181</b>    |             |                             | <b>17.246%</b> | <b>9</b>          |
| 301                  | 2100            | D           | 82228                       | 2.554%         | 1                 |
| 302                  | 1418            | E           | 82228                       | 1.724%         | 1                 |
| 303                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 304                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 305                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 306                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 307                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 308                  | 1418            | E           | 82228                       | 1.724%         | 1                 |
| 309                  | 2100            | D           | 82228                       | 2.554%         | 1                 |
| <b>Floor 3 Total</b> | <b>14181</b>    |             |                             | <b>17.246%</b> | <b>9</b>          |
| 401                  | 2100            | D           | 82228                       | 2.554%         | 1                 |
| 402                  | 1418            | E           | 82228                       | 1.724%         | 1                 |
| 403                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 404                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 405                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 406                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 407                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 408                  | 1418            | E           | 82228                       | 1.724%         | 1                 |
| 409                  | 2100            | D           | 82228                       | 2.554%         | 1                 |
| <b>Floor 4 Total</b> | <b>14181</b>    |             |                             | <b>17.246%</b> | <b>9</b>          |
| 501                  | 2100            | D           | 82228                       | 2.554%         | 1                 |
| 502                  | 1418            | E           | 82228                       | 1.724%         | 1                 |
| 503                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 504                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 505                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 506                  | 1429            | F           | 82228                       | 1.738%         | 1                 |
| 507                  | 1429            | F           | 82228                       | 1.738%         | 1                 |

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|                       |              |   |       |                 |          |
|-----------------------|--------------|---|-------|-----------------|----------|
| 508                   | 1418         | E | 82228 | 1.724%          | 1        |
| 509                   | 2100         | D | 82228 | 2.554%          | 1        |
| <b>Floor 5 Total</b>  | <b>14181</b> |   |       | <b>17.248%</b>  | <b>9</b> |
| 601                   | 2100         | D | 82228 | 2.554%          | 1        |
| 602                   | 1418         | E | 82228 | 1.724%          | 1        |
| 603                   | 1429         | F | 82228 | 1.738%          | 1        |
| 604                   | 1429         | F | 82228 | 1.738%          | 1        |
| 605                   | 1429         | F | 82228 | 1.738%          | 1        |
| 606                   | 1429         | F | 82228 | 1.738%          | 1        |
| 607                   | 1429         | F | 82228 | 1.738%          | 1        |
| 608                   | 1418         | E | 82228 | 1.724%          | 1        |
| 609                   | 2100         | D | 82228 | 2.554%          | 1        |
| <b>Floor 6 Total</b>  | <b>14181</b> |   |       | <b>17.246%</b>  | <b>9</b> |
| <b>Total Heated S</b> | <b>82228</b> |   |       | <b>100.000%</b> |          |

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SEASIDE LANDING SQUARE FOOT TOTALS

|        |              |
|--------|--------------|
| Unit A | 2100 Sq. Ft. |
| Unit B | 1400 Sq. Ft. |
| Unit C | 1400 Sq. Ft. |

TOTALS:

|            |              |                |
|------------|--------------|----------------|
| 1st Floor  | 2100 Sq. Ft. | 11,200 Sq. Ft. |
| 2nd Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 3rd Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 4th Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 5th Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 6th Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 7th Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 8th Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 9th Floor  | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 10th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 11th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 12th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 13th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 14th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 15th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 16th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 17th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 18th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 19th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |
| 20th Floor | 1400 Sq. Ft. | 14,000 Sq. Ft. |

Seaside Landing, 10000 82208 Seaside Park

PROJECT: SEASIDE LANDING  
 ARCHITECT: JOHNSON GARRETT ARCHITECTS  
 10000 82208 SEASIDE PARK, NC 28582  
 PHONE: (919) 444-7942  
 FAX: (919) 444-7943

DATE: 06/05/07  
 SHEET: 1 OF 17  
 DRAWING: ELEVATION SCHEDULE

ELEVATION SCHEDULE  
 SEE SHEET L-1 FOR UNIT CEILING & FLOOR ELEVATIONS TO BE PROVIDED BY (Good/Inventor).

I, the undersigned, hereby certify that the drawings herein were prepared by me or under my direct supervision and that I am a duly licensed professional architect in the State of North Carolina.

*[Signature]*  
 Date: 06/05/07

# SEASIDE LANDING CONDOMINIUM

HWY. 904 OCEAN ISLE BEACH, N.C.  
 BRUNSWICK COUNTY  
 NORTH CAROLINA

DRAWING TITLE

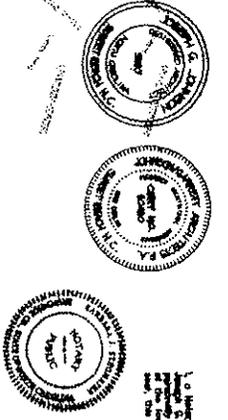
SITE PLAN, FLOOR & CEILING ELEVATIONS  
 FIRST FLOOR DIMENSION PLAN  
 SECOND FLOOR DIMENSION PLAN  
 TYPICAL UPPER FLOORS DIMENSION PLAN  
 FIRST & SECOND FLOOR DETAIL UNIT PLAN  
 TYPICAL UPPER FLOOR DETAIL UNIT PLAN  
 FRONT AND LEFT SIDE BUILDING ELEVATIONS  
 REAR AND RIGHT SIDE BUILDING ELEVATIONS  
 WALL TYPES AND FIRE RATING DETAILS

DRAWING SYMBOL LEGEND

| SYMBOL | DESCRIPTION        | SYMBOL | DESCRIPTION      |
|--------|--------------------|--------|------------------|
|        | EXTERNAL ELEVATION |        | WALL DETAIL      |
|        | WINDOW ELEVATION   |        | DOOR ELEVATION   |
|        | SECTION CUT        |        | NOTE ELEVATION   |
|        | WINDOW ELEVATION   |        | WINDOW ELEVATION |

**JOHNSON GARRETT ARCHITECTS**

10000 82208 SEASIDE PARK, NC 28582  
 PHONE: (919) 444-7942  
 FAX: (919) 444-7943  
 WWW.JGARCHITECTS.COM

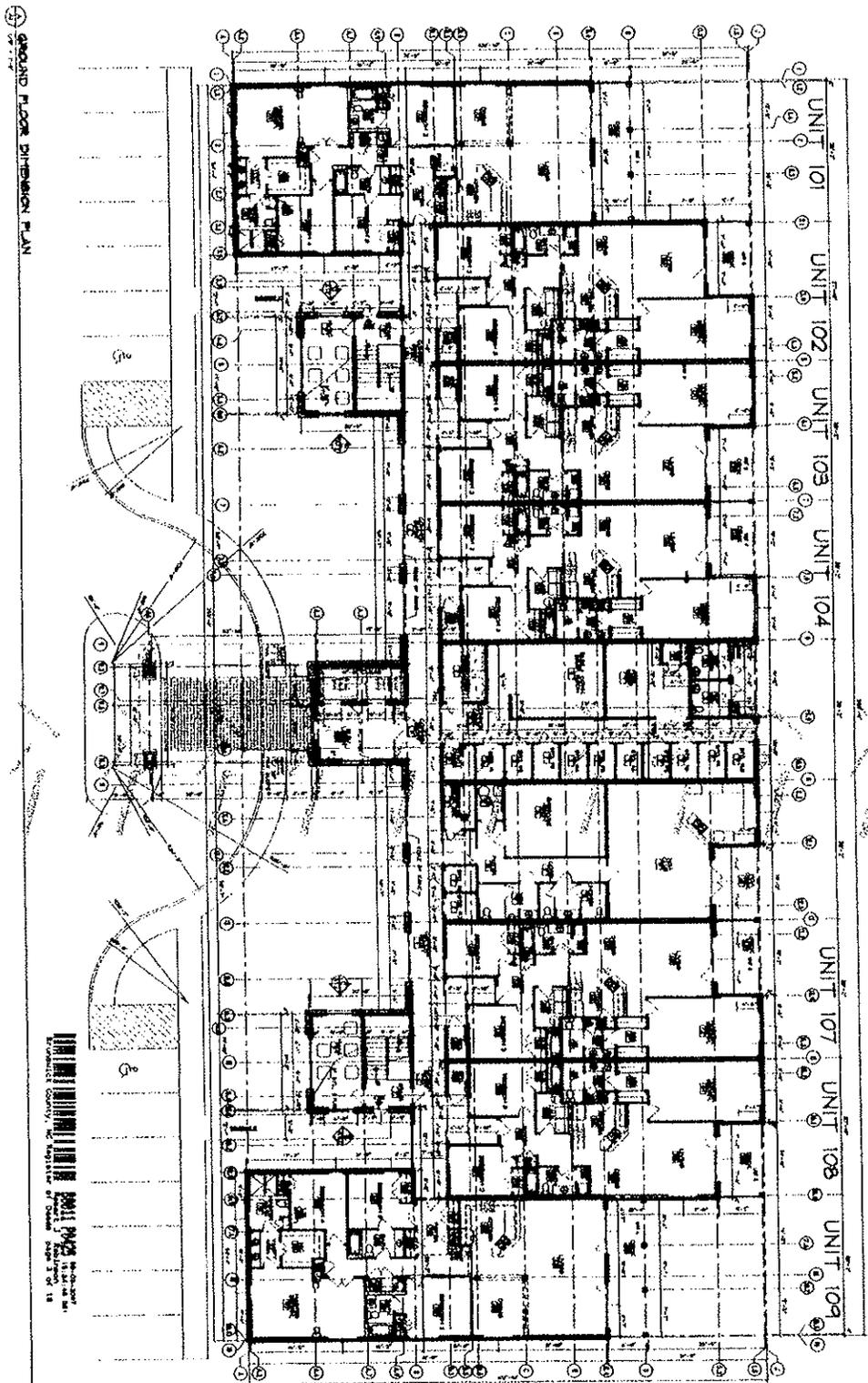


I, the undersigned, hereby certify that the drawings herein were prepared by me or under my direct supervision and that I am a duly licensed professional engineer in the State of North Carolina.

*[Signature]*  
 Date: 06/05/07

PROJECT #: 2493  
 DATE: JUNE 5, 2007

2 of 10



**JOHNSON GARRETT ARCHITECTS**  
 ARCHITECTS  
 1000 WEST 17th STREET  
 SUITE 100  
 MIAMI BEACH, FLORIDA 33139  
 (305) 531-1100  
 WWW.JGARCHITECTS.COM

**SEASIDE LANDING AT OCEAN SIDE BEACH, N.C.**  
 CONDOMINIUMS

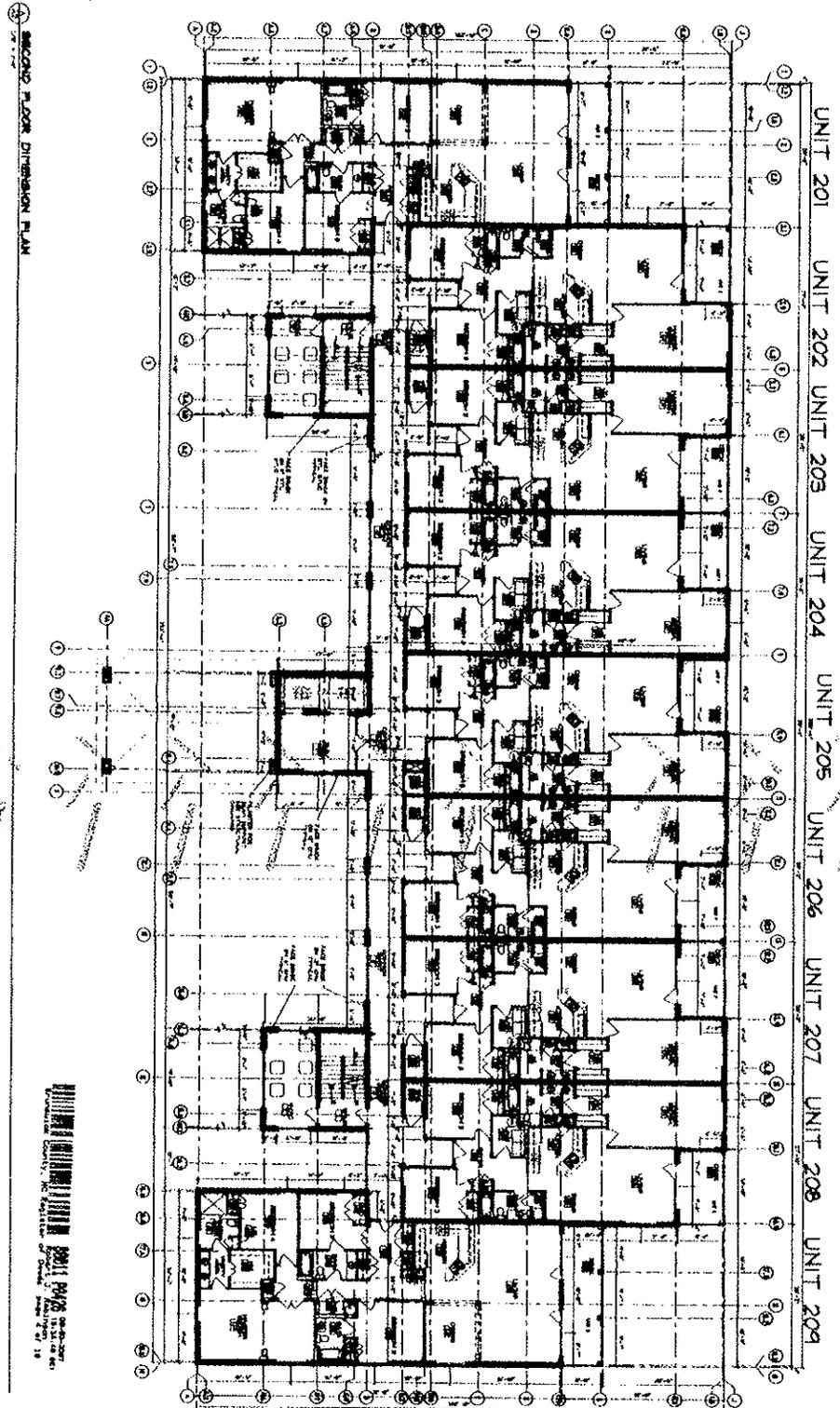
**FIRST FLOOR DIMENSION PLAN**  
 SHEET NUMBER: A1 OF 8

**SYMBOL LEGEND**

- STAIR
- ELEVATOR
- MECHANICAL ROOM
- PLUMBING ROOM
- UTILITY ROOM
- STORAGE ROOM
- CL. (Closet)
- W.C. (Water Closet)
- BATH
- KITCHEN
- LIVING
- DINING
- BREAKFAST ROOM
- SLEEPING PORCH
- BED ROOM
- HALL
- ENTRY
- SCREENED PORCH
- PORCH
- CONCRETE
- PAVING
- LANDSCAPING
- PLANTING
- WATER
- SEWER
- VENT
- MECH. (Mechanical)
- PLUMB. (Plumbing)
- UTIL. (Utility)
- STAIR
- ELEVATOR

3 of 10

Map Book 11 Page 426 8-3-07 MS



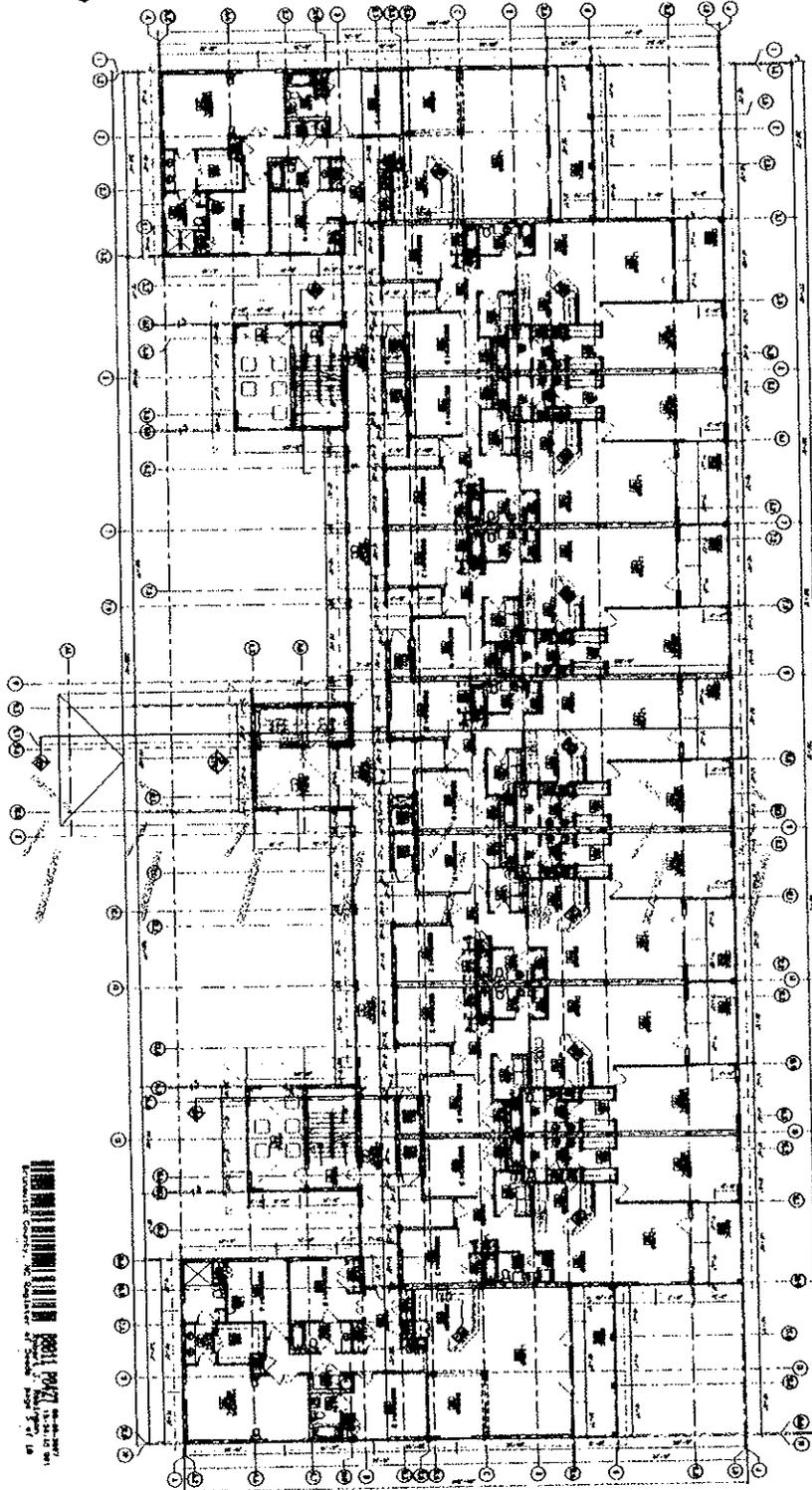
Handwritten notes and annotations on the left side of the plan, including 'UNIT 201', 'UNIT 202', 'UNIT 203', 'UNIT 204', 'UNIT 205', 'UNIT 206', 'UNIT 207', 'UNIT 208', and 'UNIT 209'.



|   |  |  |  |   |  |
|---|--|--|--|---|--|
| <p><b>JOHNSON GARRETT ARCHITECTS</b></p> <p>ARCHITECTS</p> <p>1000 WEST 10TH AVENUE<br/>SUITE 100<br/>DENVER, COLORADO 80202<br/>TEL: 303.733.1234<br/>FAX: 303.733.1235<br/>WWW.JGARCHITECTS.COM</p> | <p>PROJECT NO. 07-001</p> <p>DATE: 8/3/07</p> <p>SCALE: AS SHOWN</p> <p>PROJECT: SEASIDE LANDING AT OCEAN ISLE BEACH, N.C.</p> | <p>SEASIDE LANDING AT OCEAN ISLE BEACH, N.C.</p> <p>CONDOMINIUMS</p> <p>AT</p> <p>OCEAN ISLE BEACH, N.C.</p> | <p>DATE: 8/3/07</p> <p>SCALE: AS SHOWN</p> <p>PROJECT: SEASIDE LANDING AT OCEAN ISLE BEACH, N.C.</p> | <p>UNIT 201</p> <p>UNIT 202</p> <p>UNIT 203</p> <p>UNIT 204</p> <p>UNIT 205</p> <p>UNIT 206</p> <p>UNIT 207</p> <p>UNIT 208</p> <p>UNIT 209</p> | <p>SECOND FLOOR DIMENSION PLAN</p> <p>A2 8</p> |
|   |  |  |  |   |  |

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FIGURE 3 TYPICAL & DIMENSION PLAN



- UNIT 601
- UNIT 501
- UNIT 401
- UNIT 301
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**JOHNSON GARRETT ARCHITECTS**

SEASIDE LANDING CONDOMINIUMS

AT OCEAN BLVD BEACH, N.C.

TYPICAL UPPER FLOORS DIMENSION PLAN

AS 8

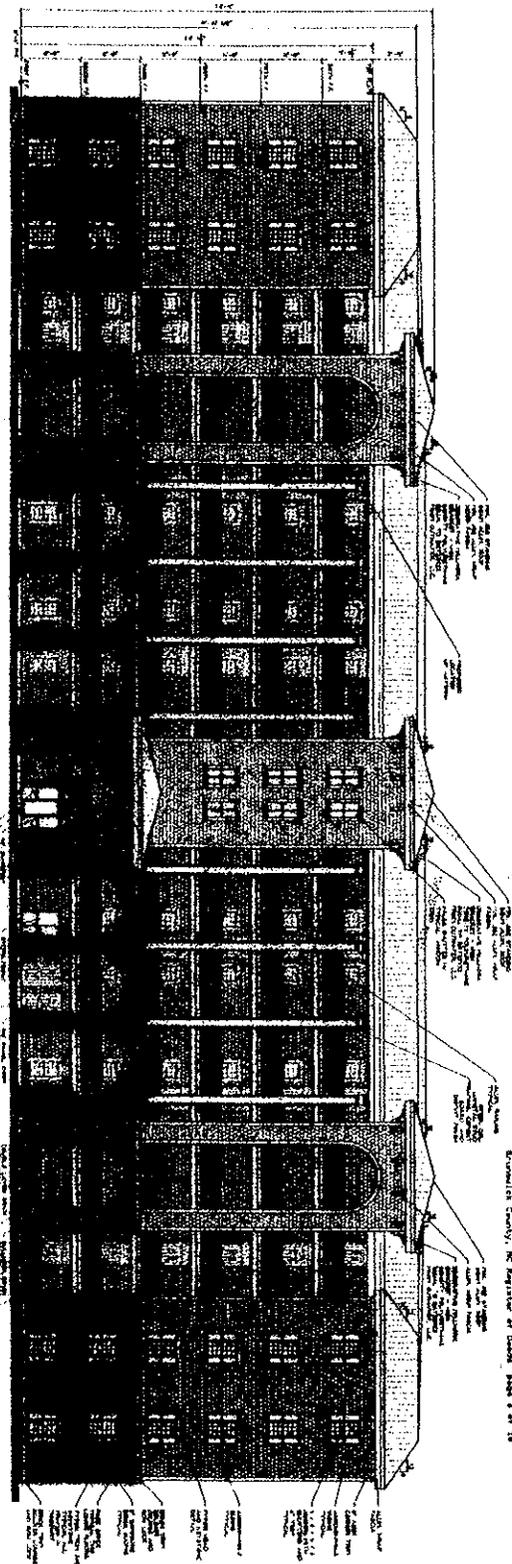
GENERAL LEGEND

- DOOR
- WINDOW
- ...

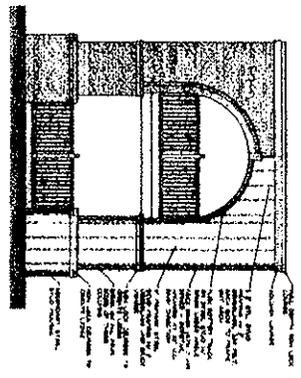
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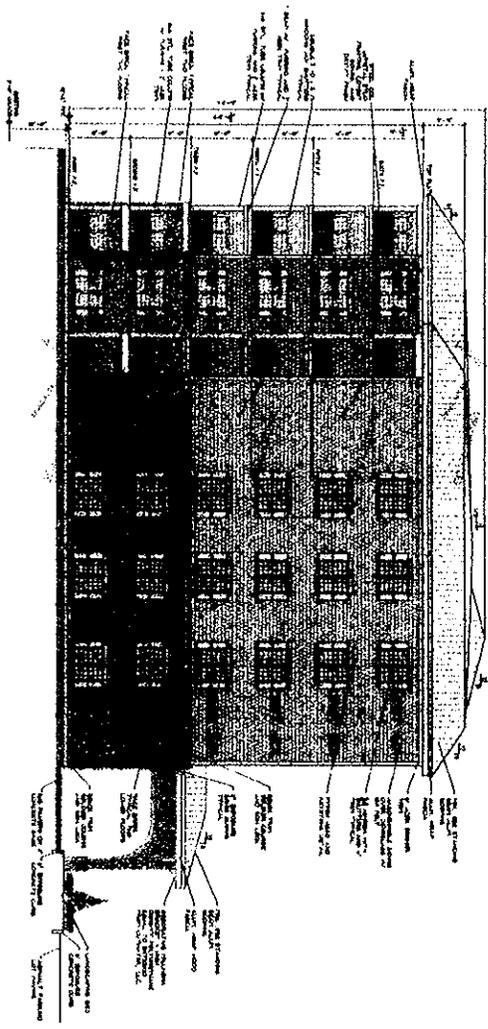




- FRONT ELEVATION
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  - UNIT 209
  - UNIT 210
  - UNIT 105



DETAIL AT STAIR PASSAGE



LEFT SIDE ELEVATION

2007.08.03 09:44:27  
 10011 9453 0000 00  
 10011 9453 0000 00

**GENERAL NOTES**

- 1. REFER TO ARCHITECTURAL SPECIFICATIONS FOR MATERIALS AND FINISHES.
- 2. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND REGULATIONS.
- 3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS.
- 4. THE CONTRACTOR SHALL MAINTAIN ACCESS TO ALL ADJACENT PROPERTIES AT ALL TIMES.
- 5. THE CONTRACTOR SHALL PROTECT ALL EXISTING UTILITIES AND STRUCTURES.
- 6. THE CONTRACTOR SHALL MAINTAIN THE SITE IN A SAFE AND SOUND CONDITION AT ALL TIMES.
- 7. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION AND REPAIR OF ALL ADJACENT PROPERTIES.
- 8. THE CONTRACTOR SHALL MAINTAIN THE SITE IN ACCORDANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.
- 9. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION AND REPAIR OF ALL ADJACENT PROPERTIES.
- 10. THE CONTRACTOR SHALL MAINTAIN THE SITE IN ACCORDANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.

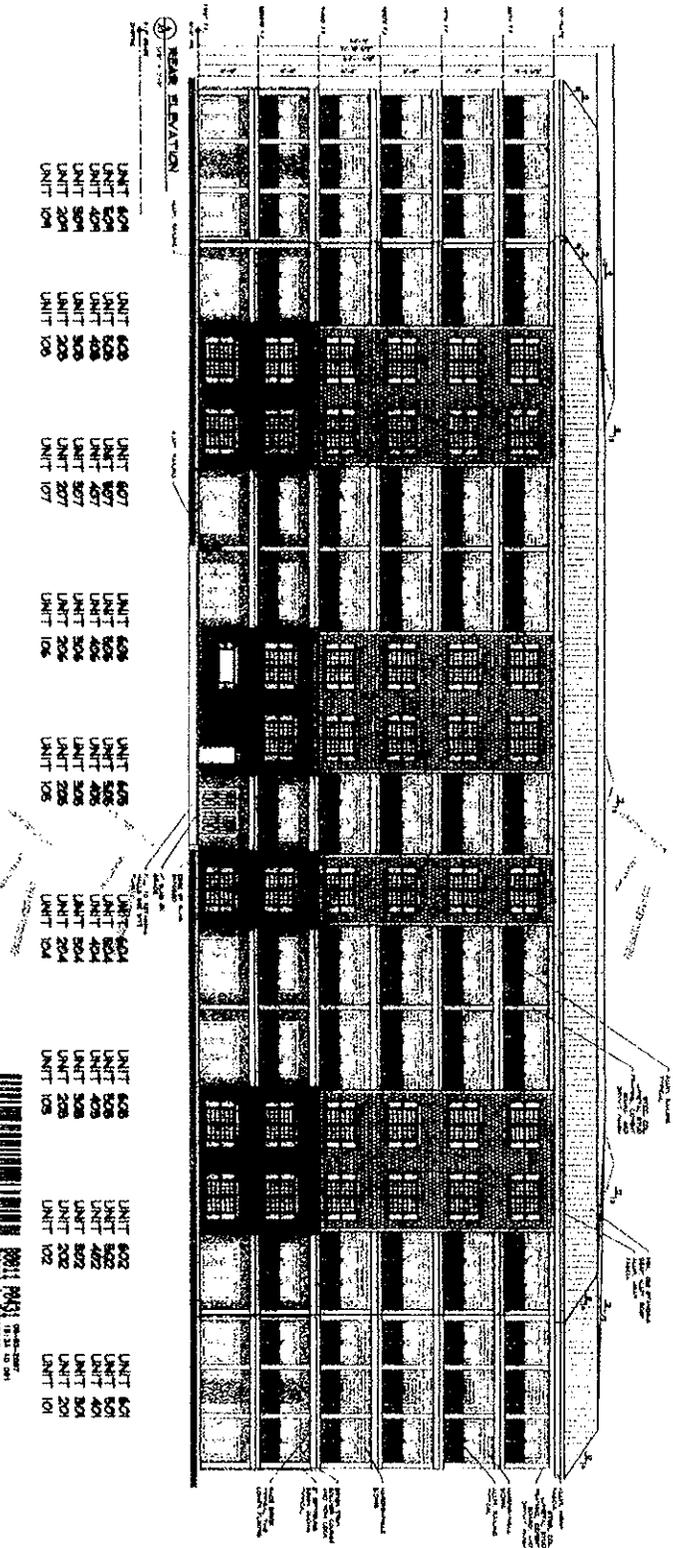
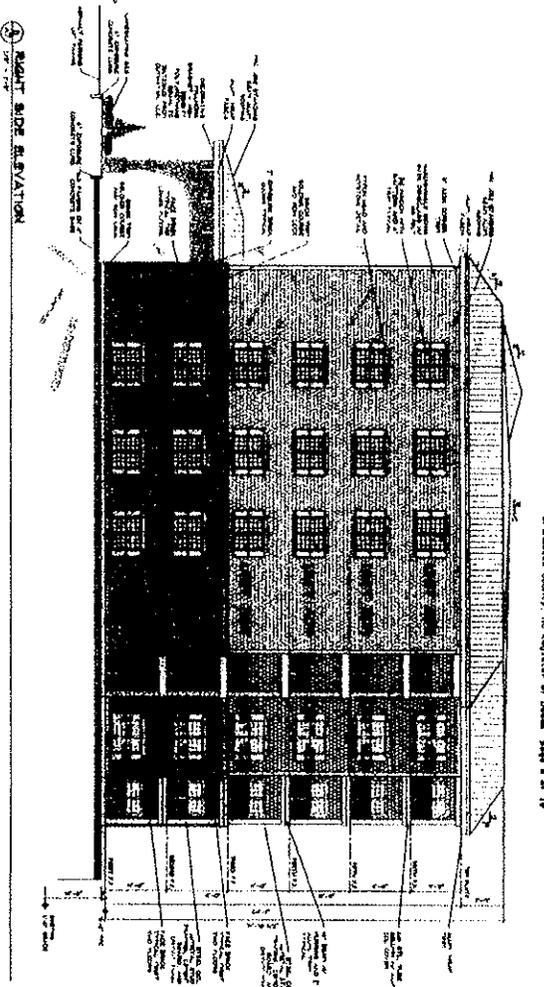
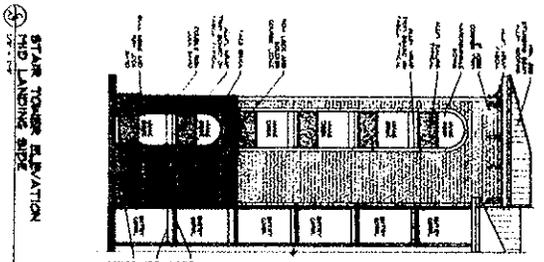
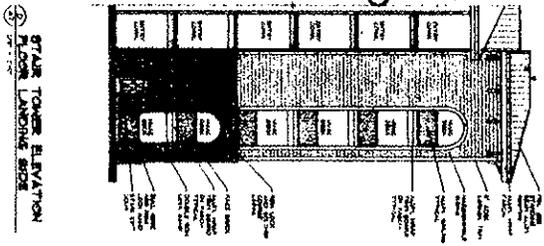
SEASIDE  
 LANDING  
 CONDOMINIUMS  
 AT  
 OCEAN SIDE BEACH, N.C.



**JOHNSON  
 GARRETT  
 ARCHITECTS**

FRONT AND LEFT SIDE  
 BUILDING ELEVATIONS  
 A6 \* 8

8 of 10



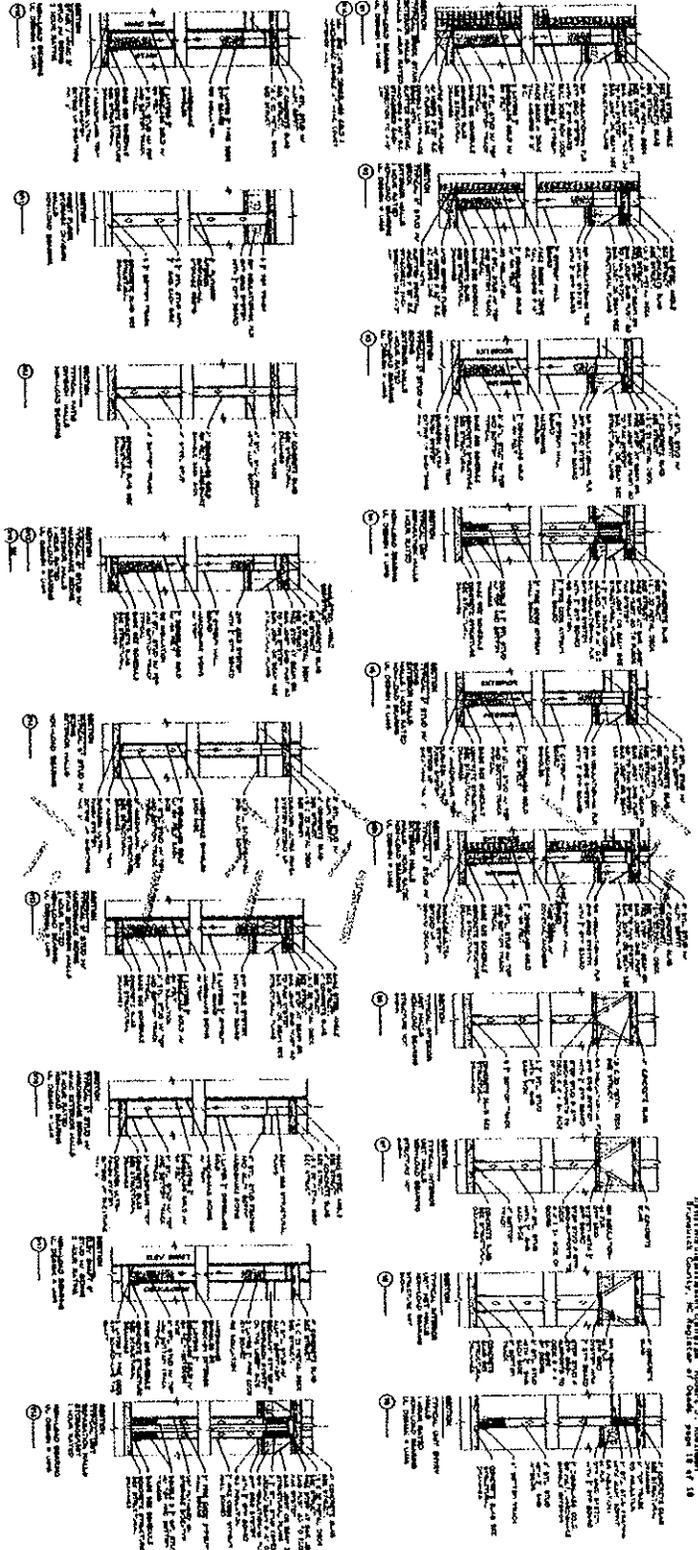
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- UNIT 700

JOHNSON GARRETT ARCHITECTS  
 REAR AND RIGHT SIDE BUILDING ELEVATIONS  
 A7' 8"

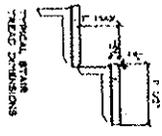
OCEAN BEACH, A.C.  
 SEASIDE LANDING CONDOMINIUMS  
 SYMBOL LEGEND  
 REAR ELEVATION  
 RIGHT SIDE ELEVATION  
 FRONT ELEVATION  
 REAR AND RIGHT SIDE BUILDING ELEVATIONS  
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90210

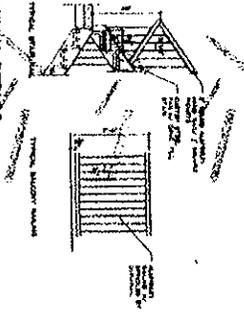
④ TYPICAL WALL SECTION DETAILS WITH UL DESIGN DESIGNATIONS



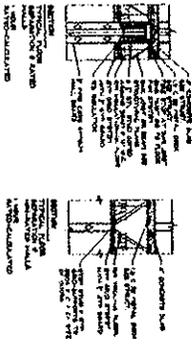
⑤ STAIR TREAD DIMENSIONS



⑥ RAILING DETAILS



⑦ TYPICAL RATED FLOOR SECTION DETAILS



99011 PAC2 11/24/07 (2.00)  
 11/24/07 11/24/07  
 11/24/07 11/24/07

**SYMBOLS**

|  |                   |
|--|-------------------|
|  | 1/2" DIA. REBAR   |
|  | 3/4" DIA. REBAR   |
|  | 1" DIA. REBAR     |
|  | 1 1/4" DIA. REBAR |
|  | 1 1/2" DIA. REBAR |
|  | 2" DIA. REBAR     |
|  | 3" DIA. REBAR     |
|  | 4" DIA. REBAR     |
|  | 6" DIA. REBAR     |
|  | 8" DIA. REBAR     |
|  | 10" DIA. REBAR    |
|  | 12" DIA. REBAR    |
|  | 14" DIA. REBAR    |
|  | 16" DIA. REBAR    |
|  | 18" DIA. REBAR    |
|  | 20" DIA. REBAR    |
|  | 22" DIA. REBAR    |
|  | 24" DIA. REBAR    |
|  | 26" DIA. REBAR    |
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|  | 74" DIA. REBAR    |
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|  | 86" DIA. REBAR    |
|  | 88" DIA. REBAR    |
|  | 90" DIA. REBAR    |
|  | 92" DIA. REBAR    |
|  | 94" DIA. REBAR    |
|  | 96" DIA. REBAR    |
|  | 98" DIA. REBAR    |
|  | 100" DIA. REBAR   |

SEASIDE  
 LANDING  
 CONDOMINIUMS  
 AT  
 OCEAN INLE BEACH, N.C.



**JOHNSON GARRETT ARCHITECTS**  
 1000 WEST 10TH STREET  
 SUITE 200  
 WASHINGTON, NORTH CAROLINA 27888  
 (704) 735-1100  
 www.johnsongarrett.com

**WALL TYPES & FIRE RATING DETAILS**  
 A8 - 8

10 of 10

EXHIBIT "B"  
(Bylaws)

[Attached]

BYLAWS  
OF  
SEASIDE LANDING PROPERTY OWNERS ASSOCIATION, INC.

ARTICLE I.

Purpose, Applicability, Offices

1. **Purpose.** This corporation (hereinafter called the "Association") has been organized to provide for the administration, management, maintenance and care of Seaside Landing, a Condominium established or to be established in accordance with the North Carolina Condominium Act, upon the property situated, located in Ocean Isle Beach Township, Brunswick County, North Carolina, and more particularly described in Exhibit "A" attached to the Declaration and incorporated herein by reference.
2. **Applicability of Bylaws.** The provisions of these Bylaws are applicable to the condominium and to the use and occupancy thereof. All present and future Owners, Mortgagees, Lessees and occupants of Units and their families and guests, and any other persons who may use or occupy the facilities of the Condominium in any manner, are subject to the Declaration, these Bylaws and the Rules and Regulations made pursuant hereto and duly set forth in an amendment to the Declaration and duly recorded. The acceptance of a deed of conveyance or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these Bylaws (and any Rules and Regulations made pursuant hereto) and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified and will be complied with.
3. **Principal Office.** The principal office of the Association shall be located on 790 Sunset Blvd. North, Suite 6, Sunset Beach, North Carolina 28468.
4. **Registered Office.** The registered office of the Association required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.
5. **Definitions.** All terms as defined in the Declaration shall have the same meaning herein except when the context otherwise specifies or requires.

ARTICLE II  
Unit Owners

1. **Membership.** Each Unit Owner shall be a member of the Association and no other person or entity shall be entitled to membership. Until such time as the property described on Exhibit "A" of the Declaration is submitted to a plan of Condominium ownership by the recordation of the Declaration, membership of the Association shall be comprised of the **three individuals** named in the Articles of Incorporation as the Initial Directors, and each such initial Director shall be entitled to cast one vote on all matters on which the membership shall be entitled to vote.

2. **Place of Meetings.** All meetings of the Unit Owners shall be held at the condominium or at such other place either within or without the State of North Carolina as shall be designated in a notice of the meeting.

3. **Annual Meeting.** An annual meeting of the Unit Owners shall be held at 10:00 a.m. on the second Saturday of September of each year if not a legal holiday, and if a legal holiday, then at the same time on the next day following for the purpose of electing members of the Board of Directors and for the transaction of such business as may be properly brought before the meeting.

4. **Substitute Annual Meetings.** If the annual meeting shall not be held on the day designated by the Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 5 of this Article. A meeting so called shall be designated and treated for all purposes as the annual meeting.

5. **Special Meetings.** Special meetings of the Unit Owners may be called at any time by the President or a majority of the Board of Directors or Unit Owners having twenty percent (20%) of the votes in the Association.

6. **Notice of Meetings.** Written or printed notices stating the place, day and hour of the meeting and items on the agenda, including the general nature of any proposed amendment to the Declaration or Bylaws, any budget changes, and any proposal to remove a Director or Officer shall be delivered or mailed not less than ten (20) nor more than fifty (50) days before the date thereof, either personally or by mail at the direction of the President, or the Board of Directors or Unit Owners calling the meeting, to each person entitled to vote at such meeting.

When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. When a meeting is adjourned for less than thirty (30) days in any one adjournment, it is not necessary to give any notice of the adjourned meeting other than by announcement of the meeting at which the adjournment is effective.

7. **Quorum.** Except in the case of ratification of the Budget or Documents pursuant to Article VI, in which no specific number is required, the presence in person or by proxy at any meeting of the Voting Members (as defined in Section 8 of this Article) having 20% of the total votes shall constitute a quorum, if a quorum is required. If there is no quorum at the opening of the meeting of Unit Owners, such meeting may be adjourned from time to time by the unanimous vote of the Voting Members present, either in person or by proxy; and at any adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the original meeting.

8. **Voting Rights.** One vote is appurtenant to each Condominium unit. If only one of the multiple owners of a Unit is present at the meeting of the Association, he is entitled to cast the vote allocated to that Unit. If more than one of the multiple owners are present, the vote allocated to that Unit may be cast only in accordance with the

agreement of a majority in interest of the multiple owners. Majority agreement is conclusively presumed if any one of the multiple Owners cast the vote allocated to that Unit without protest being made promptly to the person presiding over the meeting by any other of the owners of the Unit.

The vote allocated to a Unit may be cast pursuant to a proxy duly executed by the Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may not revoke a proxy given pursuant to this section except by written notice of revocation delivered to the person presiding over the meeting of the Association. A proxy is void if it is not dated. A proxy terminates one year after its date, unless it specifies a shorter term.

**9. Voting.** In all elections for members of the Board of Directors, each Voting Member shall be entitled to vote on a non-cumulative voting basis and the candidates receiving the highest number of votes with respect to the offices to be filled shall be deemed to be elected.

**10. Waiver of Notice.** Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Unit Owner at any meeting of the Unit Owners shall constitute a waiver of notice by him of the time and place thereof except where a Unit Owner attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the Unit Owners are present at any meeting of the Unit Owners, no notice shall be required and any business may be transacted at such meeting.

**11. Informal Action by Unit Owners.** Any action which may be taken at a meeting of the Unit Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting (that is, the Voting Members) and filed with the Secretary of the Association to be kept in the Association's minute books. An e-mail message or fax from the unit owner may also be considered as written consent.

## ARTICLE III

### Board of Directors

#### 1. Number.

(a) The business and property of the Association shall be managed and directed by a Board of Directors composed of **three (3) persons**. The initial Board of Directors as designated in the Articles of Incorporation shall be chosen by the Declarant and the Declarant, subject to Section B of this Article III, shall have the right to remove and appoint members of the Board until such time as the first of the following events occurs: (1) one hundred and twenty (120) days after the conveyance of seventy-five percent

(75%) of the Units (including Units which may be created pursuant to special Declarant Rights) to Unit Owners other than the Declarant; (2) two years after the Declarant has ceased to offer Units for sale in the ordinary course of business; (3) two years after any developmental right to add new Units was last exercised; (Any member of the Board of Directors or Officer of the Association designated and selected by the Declarant need not be a Unit Owner or a resident of the property).

(b) not later than 60 days after conveyance of 25% of the Units (including Units which may be created by the incorporation of the additional phases) to Unit Owners other than the Declarant, at least one member and not less than 25% of the members of the Board of Directors shall be elected by Unit Owners other than the Declarant. Not later than 60 days after conveyance of 50% of the Units (including Units which may be created by the incorporation of the additional phase), to Unit Owners other than the Declarant, not less than 33% of the members of the Board of Directors shall be elected by Unit Owners other than the Declarant. Upon termination of the period of the Declarant control of the Association, the Unit Owners shall elect a three member Board of Directors, at least two of which must be Unit Owners.

**2. Election, Term and Qualification.** Except as provided in the Declaration and in Section 2 and 3 of this article the two members of the permanent Board of Directors shall be elected at an annual meeting of the unit Owners, and those persons who receive the highest number of votes shall be deemed elected. Each Director shall hold office for the term for which he is elected or until his death, resignation, retirement, removal, disqualification or his successor is elected and qualified. At the first annual meeting of the Association at which the election of successors to the initial Board of Directors is to be held, the three members of the permanent Board of Directors shall be elected for staggered terms as follows: At the first election of the Board of Directors, one member shall be elected for a term of one year, one member shall be elected for a term of two years, one member shall be elected for a term of three years. Thereafter, at each subsequent election, one member will be elected for a term of three years to succeed the member whose term has expired.

**3. Vacancies.** A vacancy on the Board of Directors may be filled by a majority vote of the remaining Directors.

**4. Removal.** A Director, other than Directors appointed by the Declarant, may be removed with or without cause by a vote of 51% of all persons present and entitled to vote at any meeting of the Unit Owners at which a quorum is present.

**5. Compensation.** The Board of Directors shall receive no compensation for their services.

**6. Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts and things, except such acts as by law or by the Declaration or by these Bylaws may

not be delegated to the Board of Directors. Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

- (a) Adopt and amend bylaws and rules and regulations;
- (b) Adopt and amend budgets for revenues, expenditures, and reserves and collects assessments for common expenses from unit owners;
- (c) Hire and terminate managing agents and other employees, agents, and independent contractors;
- (d) Institute, defend, or intervene in its own name in litigation or administrative proceedings on matters affecting the condominium;
- (e) Make contracts and incur liabilities;
- (f) Regulate the use, maintenance, repair, replacement and modification of common elements;
- (g) Cause additional improvements to be made as a part of the common elements;
- (h) Acquire, hold, encumber and convey in its own name any right, title or interest to real or personal property, provided that common elements may be conveyed or subjected to a security interest only pursuant to G.S. 47C-3-112;
- (i) Grant easements, leases, licenses and concessions through or over the common elements;
- (j) Impose and receive any payments, fees or charges for the use, rental or operation of the common elements other than limited common elements described in subsections 47C-2-102(2) and (4) and for services provided to unit owners;
- (k) Impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines not to exceed one hundred fifty dollars (\$150.00) (G.S. 47C-3-107.1) for violations of the declaration, bylaws and rules and regulations of the association;
- (l) Impose reasonable charges for the preparation and recordation of amendments to the declaration, resale certificates required by G.S. 47C-4-109, or statements of unpaid assessments;
- (m) Provide for the indemnification of and maintain liability insurance for its officers, executive board, directors, employees and agents;

- (n) Assign its right to future income, including the right to receive common expense assessments, but only to the extent the declaration expressly so provides;
- (o) Exercise any other powers that may be exercised in the State by legal entities of the same types as the association; and
- (p) Exercise any other powers necessary and proper for the governance and operation of the association.

## ARTICLE IV

### Meetings of Directors

1. **Regular Meeting.** A regular meeting of the Board shall be held immediately after, and at the same place as the annual meeting or substitute annual meeting of the Unit Owners. In addition, the Board of Directors may provide by resolution the time and place either within or without the State of North Carolina, for the holding of a regular meeting of the Board.

2. **Special Meetings.** A special meeting of the Board of Directors may be called by or with the request of the President or by any two Directors. Such meetings may be held either within or without the State of North Carolina.

3. **Notice of Meetings.** Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Directors shall, at least two (2) days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

4. **Waiver of Notice.** Any member of the Board of Directors may at any time waive notice of any meeting of the Board of Directors, in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

5. **Quorum.** A simple majority of the number of Directors fixed by these Bylaws shall be required for and shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

6. **Manner of Acting.** Except as otherwise provided in this section, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. A vote of a majority of the number of Directors fixed by

the Bylaws shall be required to adopt a resolution appointing an Executive Committee. Vacancies in the Board of Directors may be filled as provided in Article III, Section 3 of these Bylaws.

7. **Organization.** Each meeting of the Board of Directors shall be presided over by the President, the Secretary/Treasurer, or in their absence, any person designated by the President, and this person may also act as Secretary of the Meeting.

8. **Informal Action of Directors.** Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent, including e-mail and facsimile transmissions, to the action in question is signed by all of the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

9. **Minutes.** The Board shall keep minutes of its proceedings.

## ARTICLE V

### **Officers**

1. **Number.** The principal officers of the Association shall consist of a President and a Secretary/Treasurer.

2. **Election and Term.** The Officers of the Association shall be elected by the Board of Directors. Such elections may be held at the regular annual meeting of the Board. Each officer shall hold office for a period of one year or until his death, resignation, retirement, removal, disqualification or his successor is elected and qualifies.

3. **Removal.** Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

4. **Compensation.** No officer shall receive any compensation from the Association for acting as such.

5. **President.** The President, after the period of Declarant control, shall be a Unit Owner and shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall supervise and control the management of the Association. The President shall, when present, preside at all meetings of the Board and of the Unit Owners, and in general, shall perform all duties incident to the office of President and such other duties as may be prescribed from time to time by the Board, including the preparation, execution and recordation of any amendment to the Declaration.

6. **Secretary/Treasurer.** The Secretary/Treasurer shall keep accurate records of the acts and proceedings of all meetings of Unit Owners and Directors. He shall give, or

cause to be given, all notices required by law and by these Bylaws. He shall have general charge of the minute book and records of both the Unit Owners and the Board. He shall sign such instruments as may require his signature. He shall have custody of all Association funds and securities and shall receive deposit, or disburse the same under the direction of the Board of Directors. He shall keep full and accurate accounts of the finances of the Association in books especially provided for this purpose.

## ARTICLE VI

### Operation of the Property

#### **1. Determination of Common Expenses and Fixing of the Common Charges.**

The Board of Directors shall from time to time, and at least annually, prepare a proposed budget for the Condominium, setting forth the amount of the common charges payable by the Unit Owners to meet the common expenses of the Condominium, and allocations of such common charges among the Unit owners according to their respective undivided percentage interest in the Common Elements. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to the provisions of Declaration. The common expenses shall also include such amounts as the Board of Directors shall deem proper for the operation and maintenance of the property, including without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The Common Expense may also include such amounts as may be required for the purchase by the Board of Directors, or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

Within thirty (30) days after adoption by the Board of Directors of any proposed budget for the Condominium a summary of the budget shall be provided to all Unit owners, and shall set a date for the meeting of the Unit Owners to consider ratification of the budget not less than twenty (20) nor more than thirty (30) days after mailing of the summary. There shall be no requirement that a quorum be present at the meeting. The budget is ratified unless at that meeting a majority of all the Unit Owners rejects the budget. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Board of Directors.

#### **2. Payment of Common Charges.**

All Unit owners shall be obligated to pay the common Expenses assessed by the Board of Directors pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board shall determine, except any common expenses associated with the maintenance, repair or replacement of a Limited Common Element must be assessed equally against the Units to which that Limited Common Element is assigned.

No Unit Owner shall be liable for the payment of any part of the Common Expenses assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of the Declaration and applicable restrictions of record) of such Unit, together with his interest in Common Elements. Except for a Mortgagee or other transferee in foreclosure proceedings (or proceedings in lieu of foreclosure), a purchaser of a Unit shall be jointly and severally liable with the seller for the payment of common Expenses assessed against such Unit prior to acquisition of the unit by the purchaser.

**3. Collection of Assessments.** The Board of Directors shall assess Common Expenses against the Unit Owners from time to time and at least quarterly and shall take prompt action to collect any Common Expenses which remain unpaid for more than thirty (30) days from the due date for payment thereof.

The Board of Directors shall notify the holder of the first mortgage on any Unit (of which it has notice) for which any Common Expenses which are assessed pursuant to these Bylaws remain unpaid for more than thirty (30) days from the due date for such payment thereof and in any other case where the Unit Owner of such Unit is in default with respect to the performance of any other obligation hereunder for a period in excess of thirty (30) days.

**4. Default in Payment of Common Expenses.** In the event of default by any Unit Owner in paying to the Board of Directors the Common Expenses as determined by the Board, such Unit Owner shall be obligated to pay interest on such Common Expenses from the due date thereof at the highest rate the law allows, together with all expenses including reasonable attorneys fees incurred by the Board in any proceeding brought to collect such unpaid Common Expenses, together with interest thereon, and the expenses of the proceedings, including reasonable attorney fees in an action to recover a money judgment for the same brought against such Unit Owner, or by foreclosure of the lien on such Unit in like manner as a deed of trust or mortgage of real property. The board of Directors shall also have the right to impose uniform late payment charges for delinquent Common Expense payments, which charges shall also be recoverable by the proceedings specified above.

**5. Lien and Personal Obligation.** All Common Expenses provided for in this Article, together with the interest and expenses, including reasonable attorney fees as provided for herein, shall be a charge on and a continuing lien upon the Unit against which the assessment is made, which such lien shall be prior to all other liens, excepting only (a) tax liens on the Unit in favor of any assessing authority and (b) liens and encumbrances recorded before docketing of the above mentioned lien in the office of the Clerk of Superior Court. Such lien shall become effective when a notice thereon has been filed in the Office of the Clerk of Superior Court for Brunswick County, North Carolina, provided such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of more than thirty (30) days after the same shall become due. Such notice of lien shall also secure all assessments against the Unit becoming due thereafter until the lien has been satisfied. In addition, each Unit Owner shall be

personally liable for any assessment against his unit. No Unit Owner may exempt himself from such liability by non-use or enjoyment of any portion of the Common Element or by the abandonment or sale of his Unit.

**6. Foreclosure of Liens for Unpaid Expenses.** If any action is brought by the Board to foreclose on a Unit because of unpaid Common Expenses, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit, and the Plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board, acting on behalf of all Unit Owners, or on behalf of any one or more individual Unit Owner so instructed, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same, subject, however, to applicable restrictions of record. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosure or waiving the lien securing the same.

Where the holder of the first mortgage or first deed of trust of record, or other purchaser of a Unit obtains title to the unit as a result of foreclosure of a first mortgage or first deed of trust, such purchaser, and its heirs, successors and assigns, shall not be liable for the assessments against such Unit which became due prior to acquisition of title to such Unit by such purchaser. Such unpaid assessments shall be deemed to be common expenses collectable from all the Unit Owners including such purchaser, and its heirs, successors and assigns.

**7. Statement of Common Charges.** The Board of Directors shall promptly provide any Unit Owner so requesting the same in writing, with a written statement, including e-mail or facsimile transmissions, of all unpaid Common Expenses due from such Unit Owner. The Board may charge a reasonable fee for providing such written report.

**8. Abatement and Enjoyment of Violations by Unit Owners.** The violation of any rule or regulation adopted by the Board or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these Bylaws or at law or in equity: (a) to enter the Unit in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; and/or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the expense of the defaulting Unit Owner.

**9. Maintenance and Repair.** (a) All maintenance and any repairs to any Unit, whether ordinary or extraordinary (other than maintenance of and repairs to any Common Elements contained therein and not necessitated by the negligence, misuse or neglect of the Owner of such Unit), shall be made by the Unit Owner of such Unit. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements that his failure to do so may engender; and (b) all maintenance,

repairs and replacements to the Common Elements (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to and paid by such Unit Owner), shall be made by the Board and be charged to all the Unit Owners as a Common Expense; provided, however, there is excluded from the provisions contained in this section any repairs necessitated by casualty insured against by the Board of Directors to the extent the Board receives insurance proceeds for such repairs.

**10. Additions, Alterations or Improvements by Unit Owners.** No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit, or any change in the exterior appearance thereof to any Limited Common Elements, without prior written consent thereto by the Board of Directors. The Board shall have the obligation to answer any such written request by a Unit Owner within thirty (30) days after such request, but failure to do so within the stipulated time shall not constitute a consent by the Board of Directors to the proposed addition, alteration, improvement or change.

**11. Use of Common Elements.** A Unit Owner shall grant a right of access to his Unit to the managing agent and/or any other person authorized by the Board of Directors or the managing agent, for the purpose of making inspection or for the purpose of correcting any condition originating in his Unit and threatening another Unit or the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical equipment or other Common Elements in or adjoining his Unit; provided, however, such requests for entry (except in the case of emergencies where no request shall be required) are made in advance and any such entry is at a time reasonably convenient to the Unit Owner. In the case of an emergency, such right of entry shall be immediate whether the Unit Owner is present at the time or not.

**12. Rules of Conduct.** Rules and regulations concerning the use of the Units and the Common Elements shall be promulgated and amended by the Board as it deems expedient.

**13. Utilities.** Any utilities (including water, sewer and electricity) which may be provided to the Condominium through a single or common meter or facility and utilities furnished to any portion of the Common Expense shall be paid by the Board as a Common Expense. Cable TV may be treated as a Common Expense.

## ARTICLE VII

### Records and Audits

The Board of Directors shall keep detailed records of the actions of the Board, minutes of the meetings of the Board of Directors, minutes of the meetings of the Unit Owners, and financial records and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a separate account of each Unit which, among other things, shall contain the amount of each assessment of the

common Expenses against each Unit, the date when due, the amounts paid thereof, and the balance remaining unpaid. The financial records and books of account shall be available for examination by all the Unit Owners, their duly authorized agents or attorneys at convenient hours. A written report summarizing all receipts and expenditures of the Association shall be rendered by the Board to all Unit Owners on or before the 15<sup>th</sup> day of the fourth month following the close of each fiscal year covering the preceding year. In addition, an annual report of the receipts and expenditures of the Association shall be rendered by the Board to the Unit Owners and to all Mortgagees of Units who have requested the same, promptly after the end of each fiscal year.

## ARTICLE VIII

### Contingency Reserve

A contingency reserve, to be funded from the regular assessment for Common Expenses, in an amount deemed sufficient by the Board of Directors shall be maintained by the Corporation at all times to provide working capital solely to fund unanticipated capital improvements or major repairs respecting the Condominium. To the extent the Contingency Reserve is depleted below the required minimum amount determined by the Board of Directors, it shall be incumbent upon and the duty of the Board of Directors to increase the assessment of Common Expenses against the Units to the extent necessary to replenish the Contingency Reserve to the required minimum with a maximum period of one (1) full fiscal year after the year in which the Contingency Reserve is depleted below the minimum amount.

## ARTICLE IX

### Indemnification of Directors Officers and Others

The Association shall indemnify any director or officer or former director or officer of the Association or any person who may have served at the request of the Association as a director or officer of another corporation, whether for profit or not for profit, against expenses (including attorney fees) or liabilities actually and reasonably incurred by him in connection with the defense of or as a consequence of any threatened, pending or completed action, suit or proceeding (whether civil or criminal) in which he is made a party or was (or is threatened to be made a party) by reason of being or having been such director (governor) or officer, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, bylaw, agreement, vote of members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue

as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent or another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability.

The Association's indemnity of any person who is or was a director, officer, employee or agent of the Association or directors, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification

- (a) under any policy of insurance purchased and maintained on his behalf by the Association or
- (b) from such other corporation, partnership, joint venture, trust or other enterprise.

Nothing contained in this Article IX, or elsewhere in these Bylaws, shall operate to indemnify any director or officer if such indemnification is for any reason contrary to any applicable state or federal law.

## ARTICLE X

### Amendment

Amendments to these Bylaws may be made at any time by unanimous vote by the Board Members.

Dated this \_\_\_\_\_ day of July, 2005.

\_\_\_\_\_(Seal)

\_\_\_\_\_(Seal)

\_\_\_\_\_(Seal)

EXHIBIT "C"  
(Current Balance Sheet)

[Attached]

C/O Benchmark Management Group  
PO Box 280  
N Myrtle Beach SC 29597

|                             | Operating         | Reserve          | Total             |
|-----------------------------|-------------------|------------------|-------------------|
| <b>CURRENT ASSETS</b>       |                   |                  |                   |
| RESERVES                    | 0.00              | 30,874.09        | 30,874.09         |
| OPERATING CHECKING          | 19,336.52         | 0.00             | 19,336.52         |
| A/R REGULAR ASSESSMENTS     | 32,502.75         | 0.00             | 32,502.75         |
| <b>TOTAL CURRENT ASSETS</b> | <u>51,839.27</u>  | <u>30,874.09</u> | <u>82,713.36</u>  |
| <b>OTHER ASSETS</b>         |                   |                  |                   |
| PREPAID INSURANCE           | 82,752.59         | 0.00             | 82,752.59         |
| <b>TOTAL OTHER ASSETS</b>   | <u>82,752.59</u>  | <u>0.00</u>      | <u>82,752.59</u>  |
| <b>FIXED ASSETS</b>         |                   |                  |                   |
| FURNITURE AND EQUIPMENT     | 2,349.92          | 0.00             | 2,349.92          |
| <b>TOTAL FIXED ASSETS</b>   | <u>2,349.92</u>   | <u>0.00</u>      | <u>2,349.92</u>   |
| <b>TOTAL ASSETS</b>         | <u>136,941.78</u> | <u>30,874.09</u> | <u>167,815.87</u> |

EXHIBIT "D"  
(Projected Budget)

[Attached]

2011

|  |            |            |
|--|------------|------------|
| REVENUES                                 |            |            |
| REGULAR ASSESSMENTS                      | \$ 333,000 |            |
| TOTAL INCOME                             |            | \$ 333,000 |
| EXPENSES                                 |            |            |
| REPAIRS AND MAINTENANCE                  |            |            |
| POOL & SPA SUPPLIES                      | \$3,000    |            |
| POOL & SPA REPAIRS                       | \$2,000    |            |
| POOL & SPA CONTRACT                      | \$4,800    |            |
| GEN.MAINT. & MATERIAL                    | \$22,100   |            |
| FITNESS EQUIPMENT MAINTENANCE            | \$1,500    |            |
| LANDSCAPE & IRRIGATION MAINT. & SUPPLIES | \$3,500    |            |
| LANDSCAPE CONTRACT                       | \$40,000   |            |
| POND MAINTENANCE                         | \$0        |            |
| INTERIOR PEST CONTROL                    | \$4,000    |            |
| TERMITE BOND                             | \$500      |            |
| ELEVATOR CONTRACT                        | \$5,100    |            |
| JANITORIAL SERVICES                      | \$8,000    |            |
| PUMPS CONTRACT (DOMESTIC WATER)          | \$1,000    |            |
| TOTAL REPAIRS & MAINTENANCE              |            | \$96,500   |
| GENERAL & ADMINISTRATION                 |            |            |
| OFFICE SUPPLIES                          | \$600      |            |
| PRINTING                                 | \$600      |            |
| POSTAGE                                  | \$600      |            |
| LEGAL SERVICES                           | \$5,000    |            |
| YEAR END AUDIT                           | \$850      |            |
| MANAGEMENT SERVICES                      | \$10,700   |            |
| PROFESSIONAL SERVICES                    | \$2,000    |            |
| INSURANCE                                | \$130,000  |            |
| LICENSES/FEE/TAXES                       | \$750      |            |
| TOTAL GENERAL & ADMINISTRATIVE           |            | \$150,500  |
| UTILITIES                                |            |            |
| ELECTRICITY                              | \$16,000   |            |
| WATER & SEWER                            | \$1,500    |            |
| FUEL                                     | \$8,000    |            |
| CABLE TV                                 | \$18,000   |            |
| TELEPHONE                                | \$2,700    |            |
| TOTAL UTILITIES                          |            | \$46,200   |
| FIRE PROTECTION                          |            |            |
| FIRE REPAIRS AND MATERIALS               | \$1,000    |            |
| FIRE PROTECTION SERVICES                 | \$2,500    |            |
| OPERATING CONTINGENCY                    | \$6,000    |            |
| TOTAL SECURITY & FIRE PROTECTION         |            | \$9,500    |
| RESERVES & CAPITAL ITEMS                 |            |            |
| RESERVES                                 | \$33,000   |            |
| TOTAL RESERVES & CAPITAL ITEMS           |            | \$33,000   |
| TOTAL OPERATING EXPENSES                 |            | \$333,000  |

2011 DUES \$1,437.00  
 \$1,446.00  
 \$2,127.00

INSURANCE IS AN ESTIMATE ONLY

Signature

Date

*[Handwritten Signature]*

*11/19/10*

EXHIBIT "E"  
(Liens and Encumbrances)

1. Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Sunset Beach Condos, LLC to Chicago Title Insurance Company, Trustee for BRT RLOC LLC, dated March 28, 2011, filed for record March 29, 2011 at 1:04 pm, in Book 3148, Page 214, in the office of the Register of Deeds for Brunswick County, North Carolina, securing \$5,200,000.00.
2. Deed of Trust to Michelle Manners, Esq., Trustee for NLP Finance, LLC dated March 28, 2011, filed for record March 29, 2011 at 1:04 pm, in Book 3148, Page 276, in the office of the Register of Deeds for Brunswick County, North Carolina, securing \$5,500,000.00.
3. Subordination and Standstill Agreement by and among Sunset Beach Condos, LLC, NLP Finance, LLC and BRT RLOC LLC, dated March 28, 2011, filed for record March 29, 2011 at 1:04 pm, in Book 3148, Page 313, in the office of the Register of Deeds for Brunswick County, North Carolina.
4. UCC Financing Statement by Sunset Beach Condos, LLC in favor of BRT RLOC LLC, filed for record March 29, 2011 at 1:04 pm, in Book 3148, Page 331, in the office of the Register of Deeds for Brunswick County, North Carolina.
5. Taxes for the year 2011 and subsequent years not yet due and payable.
6. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, powers of attorney and limitations on title, created by the North Carolina General Statutes or set forth in the Declaration of Seaside Landing, A Condominium, recorded in Book 2653, at Page 519 and re-recorded in Book 2654, at Page 505 in the office of the Register of Deeds of Brunswick County, attached as Exhibit "A".
7. Matters shown on the Condominium Plat recorded in Map Book 11, Pages 423-432 in the office of the Register of Deeds of Brunswick County.
8. The provisions of Chapter 47C of the North Carolina General Statutes and other laws relevant to the Condominium.

The following only affect the Common Elements appurtenant to the Units:

9. Deeds of Dedication to Brunswick County recorded in Book 2684, Page 904 and Book 2684, Page 907, in the office of the Register of Deeds of Brunswick County.
10. Terms and conditions of the Affidavit recorded in Book 2684, Page 910 in the office of the Register of Deeds of Brunswick County.

11. Easement to Brunswick Electric Membership Corporation as recorded in Book 2465, at Page 868 in the office of the Register of Deeds of Brunswick County.
12. Laws of the State of North Carolina or any other governmental agency relating to wetlands and/or waterfront property.
13. Title to that portion of the property lying below the mean high water mark of the Atlantic Intracoastal Waterway.
14. Riparian or littoral rights incident to any branches, creeks, streams or other waters coursing the land.
15. Claims to land created or lost by accretion, reliction or avulsion resulting from movement of the Atlantic Intracoastal Waterway forming part of the boundary of the property.

EXHIBIT "F"  
(Description of Insurance Coverages)

[Attached]



# CERTIFICATE OF PROPERTY INSURANCE

DATE  
03/28/2011

|  |   |
|--|---|
| <b>PRODUCER</b><br>STAN BECK INSURANCE<br>504 N BROAD STREET<br>SEAGROVE, NC 27341   | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. |
| <b>COMPANIES AFFORDING COVERAGE</b>  |   |
| <b>INSURED</b><br>SEASIDE LANDING PROPERTY OWNERS ASSOCIATION<br>c/o Benchmark Property Management<br>PO Box 280<br>North Myrtle Beach, SC 29597 | COMPANY A: NATIONWIDE MUTUAL INSURANCE<br>COMPANY B: NCJUA<br>COMPANY C: MAX SPECIALTY<br>COMPANY D:  |

**COVERAGES**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| GO LTR | TYPE OF INSURANCE  | POLICY NUMBER                                     | POLICY EFFECTIVE DATE (MM/DD/YYYY) | POLICY EXPIRATION DATE (MM/DD/YYYY) | COVERED PROPERTY   | LIMITS           |
|--------|--|---|------------------------------------|-------------------------------------|--|------------------|
| A      | <input checked="" type="checkbox"/> PROPERTY   | ACP 2203410665                                    | 08/03/2010                         | 08/03/2011                          | <input checked="" type="checkbox"/> BUILDING<br><input type="checkbox"/> PERSONAL PROPERTY<br><input type="checkbox"/> BUSINESS INCOME<br><input type="checkbox"/> EXTRA EXPENSE<br><input type="checkbox"/> BLANKET BUILDING<br><input type="checkbox"/> BLANKET PERS PROP<br><input type="checkbox"/> BLANKET BLDG & PP<br><input checked="" type="checkbox"/> FLOOD | \$ 12,347,500    |
|        | CAUSES OF LOSS<br><input type="checkbox"/> BASIC<br><input type="checkbox"/> BROAD<br><input checked="" type="checkbox"/> SPECIAL<br><input checked="" type="checkbox"/> EARTHQUAKE<br><input checked="" type="checkbox"/> FLOOD<br><input checked="" type="checkbox"/> REPLACEMENT COST | 50518193492010                                    | 10/21/2010                         | 10/21/2011                          |  | \$ 11,500,000.00 |
|        | <input type="checkbox"/> INLAND MARINE   |   |                                    |                                     |  | \$               |
|        | TYPE OF POLICY   |   |                                    |                                     |  | \$               |
|        | CAUSES OF LOSS   |   |                                    |                                     |  | \$               |
|        | <input type="checkbox"/> NAMED PERILS  |   |                                    |                                     |  | \$               |
|        | <input type="checkbox"/> OTHER   |   |                                    |                                     |  | \$               |
| A      | <input checked="" type="checkbox"/> CRIME  | Employee Dishonesty Due to Fraud & Dishonest Acts | 08/03/2010                         | 08/03/2011                          |  | \$ 500,000.00    |
|        | TYPE OF POLICY   |   |                                    |                                     |  | \$               |
|        | <input type="checkbox"/> BOILER & MACHINERY  |   |                                    |                                     |  | \$               |
| B      | <input checked="" type="checkbox"/> OTHER  | CW250003870                                       | 08/03/2010                         | 08/03/2011                          |  | 3,162,600.00     |
| C      | Wind & Hail  | MAX2XP0049351                                     | 08/03/2010                         | 08/03/2011                          |  | 8,500,000.00     |
|        | Excess Wind & Hail   |   |                                    |                                     |  |                  |

**LOCATION OF PREMISES/DESCRIPTION OF PROPERTY**  
 7265 Seashell Lane Unit # 108,109,201,203,208,305,306,309,401,407,409,501,503,505,508,509,601,604,605,606,608 & 609  
 (Sunset Beach Condos, LLC)  
 Ocean Isle Beach, NC 28469

**SPECIAL CONDITIONS/OTHER COVERAGES**

|  |  |
|--|--|
| <b>CERTIFICATE HOLDER</b><br>Mortgagee:<br>1st Mortgagee: BRT RLOC LLC<br>60 Cutter Mill Road<br>Great Neck, New York 11021<br><br>2nd Mortgagee: NLP Finance, LLC<br>665 Simonds Road<br>Williamstown, MA 01267 | <b>CANCELLATION</b><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.<br>AUTHORIZED REPRESENTATIVE<br>Stan K. Beck |
|--|--|



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/28/2011

| <b>PRODUCER</b><br>STAN BECK INSURANCE<br>504 N BROAD STREET<br>SEAGROVE, NC 27341                                 | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.  |                             |        |  |  |            |  |            |  |            |  |            |  |
|--|--|-----------------------------|--------|--|--|------------|--|------------|--|------------|--|------------|--|
| <b>INSURED</b><br>SEASIDE LANDING POA<br>c/o Benchmark Property Mgmt<br>PO Box 280<br>North Myrtle Beach, SC 29597 | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURERS AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A: NATIONWIDE MUTUAL INSURANCE</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> </table> | INSURERS AFFORDING COVERAGE | NAIC # | INSURER A: NATIONWIDE MUTUAL INSURANCE |  | INSURER B: |  | INSURER C: |  | INSURER D: |  | INSURER E: |  |
| INSURERS AFFORDING COVERAGE  | NAIC #   |                             |        |  |  |            |  |            |  |            |  |            |  |
| INSURER A: NATIONWIDE MUTUAL INSURANCE   |  |                             |        |  |  |            |  |            |  |            |  |            |  |
| INSURER B:   |  |                             |        |  |  |            |  |            |  |            |  |            |  |
| INSURER C:   |  |                             |        |  |  |            |  |            |  |            |  |            |  |
| INSURER D:   |  |                             |        |  |  |            |  |            |  |            |  |            |  |
| INSURER E:   |  |                             |        |  |  |            |  |            |  |            |  |            |  |

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | ADD'L INSR | TYPE OF INSURANCE   | POLICY NUMBER                   | POLICY EFFECTIVE DATE (MM/DD/YYYY) | POLICY EXPIRATION DATE (MM/DD/YYYY) | LIMITS  |
|----------|------------|---|---------------------------------|------------------------------------|-------------------------------------|---|
| A        |            | <b>GENERAL LIABILITY</b><br><input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY<br><input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR<br><br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC | ACP 2203410665<br>Including D&O | 08/03/2010                         | 08/03/2011                          | EACH OCCURRENCE \$ 2,000,000.00<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$<br>MED EXP (Any one person) \$ 5,000.00<br>PERSONAL & ADV INJURY \$ 2,000,000.00<br>GENERAL AGGREGATE \$ 4,000,000.00<br>PRODUCTS - COMP/OP AGG \$ 4,000,000.00 |
|          |            | <b>AUTOMOBILE LIABILITY</b><br><input type="checkbox"/> ANY AUTO<br><input type="checkbox"/> ALL OWNED AUTOS<br><input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS<br><input type="checkbox"/> NON-OWNED AUTOS  |                                 |                                    |                                     | COMBINED SINGLE LIMIT (Ea accident) \$<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$   |
|          |            | <b>GARAGE LIABILITY</b><br><input type="checkbox"/> ANY AUTO  |                                 |                                    |                                     | AUTO ONLY - EA ACCIDENT \$<br>OTHER THAN EA ACC \$<br>AUTO ONLY: AGG \$   |
| A        |            | <b>EXCESS/UMBRELLA LIABILITY</b><br><input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE<br><br><input type="checkbox"/> DEDUCTIBLE<br><input type="checkbox"/> RETENTION \$  | ACP CAF 2203410665              | 08/03/2010                         | 08/03/2011                          | EACH OCCURRENCE \$ 2,000,000.00<br>AGGREGATE \$ 2,000,000.00  |
|          |            | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?<br>If yes, describe under SPECIAL PROVISIONS below  |                                 |                                    |                                     | <input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER<br>E.L. EACH ACCIDENT \$<br>E.L. DISEASE - EA EMPLOYEE \$<br>E.L. DISEASE - POLICY LIMIT \$   |
|          |            | OTHER   |                                 |                                    |                                     |   |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**

Condominium Association  
 7265 SEASHELL LANE  
 OCEAN ISLE BEACH, NC 28469  
  
 Unit #'s 108,109,201,203,208,305,306,309,401,407,409,501,503,505,508,509,601,604,605,606,608 &609

**CERTIFICATE HOLDER**

Sunset Beach Condos, LLC

|   |  |
|---|--|
| 1st Mortgagee:<br>BRT RLOC LLC<br>60 Cutter Mill Rd<br>Great Neck, NY 11021 | 2nd Mortgagee:<br>NLP Finance, LLC<br>665 Simonds Road<br>Williamstown, MA 01267 |
|---|--|

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  
 Stan K. Beck

## IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.