

Prepared by and after recording return to:
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STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

**SECOND AMENDMENT TO
DECLARATION OF COVENANTS,
RESTRICTIONS AND EASEMENTS
FOR SUNFISH COVE**

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR SUNFISH COVE (this "**Amendment**") is made by **LENNAR CAROLINAS, LLC**, a Delaware limited liability company ("**Declarant**") and **AG EHC II (LEN) MULTI STATE 2, LLC**, a Delaware limited liability company ("**AG**" or "**Consenting Owner**," and together with Lennar, collectively, the "**Parties**") and is effective as of the date and time it is recorded in the Office of the Register of Deeds for Brunswick County, North Carolina (the "**Registry**").

RECITALS

WHEREAS, Declarant recorded that certain Declaration of Covenants, Restrictions and Easements for Sunfish Cove in Book 5062, at Page 1 in the Registry (as amended from time to time, the "**Declaration**");

WHEREAS, capitalized terms used and not defined in this Amendment shall have the same meaning as ascribed to such terms in the Declaration; and

WHEREAS, pursuant to Declarant's rights under Article 13, Section 13.1 of the Declaration, Declarant herein exercises its unilateral right to amend the Declaration as herein provided.

NOW, THEREFORE, Declarant hereby amends the Declaration as follows:

1. **Incorporation**. The recitals above and the Declaration are incorporated herein by reference.
2. **Definitions**. Unless otherwise defined herein, capitalized terms used in this Amendment shall have the same meaning ascribed to them in the Declaration.
3. **Working Capital Contribution**. Section 5.12 of the Declaration is hereby replaced as follows:

Notwithstanding anything to the contrary in this Declaration, a working capital fund will be established for the Association by collecting from each Owner who acquires title to his Unit from the Declarant a working capital amount, which will be due and payable at the time of transfer of each Unit by the Declarant to any other Owner. Each such Owner's share of working capital, as aforesaid, will be transferred to the Association at the time of closing the conveyance from the Declarant to the Owner. Such sum is and will remain separate and distinct from the Annual Assessment and will not be considered advance payment of the Annual Assessment. The working capital receipts may be used by the Association in covering operating expenses as well as any other expense incurred by the Association pursuant to this Declaration and the Bylaws, including for capital projects or dedication to reserves.

(a) Amount of Working Capital; Person Obligated.

Unless otherwise provided in a Supplemental Declaration filed Of Record, the working capital amount shall be equal to one quarter of one percent (0.25%) of the total cost to the purchaser of the Unit, as such cost is shown for purposes of calculating the Recording Fee (formerly known as a deed transfer fee or deed documentary tax) imposed by North Carolina on the transfer of title. The working capital amount shall be the obligation of the grantor of the Unit.

(b) Exemption from Payment of Working Capital.

The Declarant may identify a Builder as being exempt from the payment of the working capital amount upon its acquisition of title in a written exemption certificate, as described in Section 5.6(a) above, upon the condition that the working capital amount shall be collected from the buyer at the closing of the sale of the Unit by such exempt Builder. Furthermore, any conveyance to a mortgagee following foreclosure or by a deed-in-lieu thereof shall be exempt, but shall be payable in conjunction with conveyance of the Unit by the mortgagee to a subsequent Owner.

4. Resale Capital Contribution. Article 5 of the Declaration is hereby amended to add the following Section 5.13:

"5.13 Resale Capital Contribution.

In addition to the Working Capital Contribution set forth in Section 5.12, at the closing of each resale of any Unit by a Person other than the Declarant, Affiliate, Builder, the purchaser of the Unit shall pay a resale capital contribution to the Association in an amount equal to 0.25% of the sales price of the Unit shown on the closing statement (the "Resale Capital Contribution"), which the Association may use for any purpose. The Resale Capital Contribution shall not be refundable to the purchaser and shall not be applied and/or considered as a credit or an advance against any Assessments (including any Annual Assessments). Notwithstanding anything to the contrary contained in this Declaration, no Resale Capital Contribution shall be due and/or payable at the time of purchase of a Unit from the Declarant or a Builder."

5. FHA, VA or USDA Compliance. For avoidance of doubt and in any event, notwithstanding any inconsistent or contrary provision in this Declaration, if there are any FHA, VA or USDA insured loans affecting a Lot, and only for so long as any such loans affect the Lot, any restrictions in this Declaration on renting, subleasing, or reconveyance that violate any FHA, VA or USDA requirements shall not apply to such Lot or its Owner or to a transfer or purchase by an Institutional Mortgagee.

6. Remainder of Declaration Unaffected; Continuing Validity. Nothing contained in this Amendment shall be deemed to amend any other provision of the Declaration, except as specifically provided herein. All terms and conditions contained in the Declaration not so amended hereby shall remain



in full force and effect and the Declaration is hereby ratified, confirmed and shall remain in full force and effect.

7. **Headings; Governing Law; Severability.** Headings used herein are for ease of reference only and shall have no substantive meaning. This Amendment shall be interpreted in accordance with North Carolina law. If a court of competent jurisdiction should find that any provision of this Amendment is unenforceable or otherwise in conflict with the Declaration, North Carolina law or the laws of the United States of America, such provision shall be deemed stricken and the remainder of this Amendment (and the Declaration, as applicable) shall continue in full force and effect as if such provision were never included herein. This Amendment and the provisions contained herein shall be deemed limited and shall be construed as strictly as possible.



CONSENTING OWNER:

**AG EHC II (LEN) MULTI STATE 2, LLC, a
Delaware limited liability company**

By: Essential Housing Asset Management, LLC,
an Arizona limited liability company, its
Authorized Agent

By: *Steven S. Benson*
Steven S. Benson, its Manager

STATE OF ARIZONA)
)
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this 19 day of February, 2025, by Steven S. Benson, the manager of Essential Housing Asset Management, LLC, an Arizona limited liability company, the Authorized Agent of AG EHC II (LEN) MULTI STATE 2, LLC, a Delaware limited liability company, for and on behalf thereof.

(SEAL) 

Jaime Marie Adams
Notary Public