



08/26/04

RE: First Flight Ridge

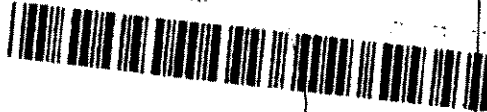
Please find enclosed:

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR FIRST FLIGHT RIDGE

Architectural Guidelines for Single Family Homesites, First Flight Ridge  
Homeowners Association, Inc.

FIRST AMMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR FIRST FLIGHT RIDGE

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BARBARA N GRAY, REGISTER OF DEEDS DARE CO, NC



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Kitty Hawk, NC 27949

## DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR FIRST FLIGHT RIDGE

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS for First Flight Ridge (the "Declaration") is made this 23rd day of June, 2004, by First Flight Ridge, LLC, a North Carolina limited liability company, (hereinafter referred to as "Declarant") of 821 Ocean Trail, Suite 4, Corolla, NC 27927.

### RECITALS

#### [STATEMENT OF PURPOSE]

- A. Declarant is the owner of that property situated in the Town of Kitty Hawk, North Carolina, as more particularly described on Exhibit "A" attached hereto and incorporated by this reference (the "Property" or "First Flight Ridge") which shall be a gated community with restricted access to owners and their guests.
- B. Declarant's present intention is stated here for information of present interest only with respect to that Property made subject to this Declaration as hereinafter provided in Section 2.01, not as a warranty or representation of future fact as Declarant intends for First Flight Ridge to be a community consisting of: eighty-three single family residential lots.
- C. In order to provide for the preservation and value of First Flight Ridge and assurance that all improvements within First Flight Ridge are in conformance with Architectural Guidelines,

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Declarant has made provisions for an Architectural Standards Committee (the "ASC") which shall be responsible for administering the Architectural Guidelines and any improvements to be constructed on the Property. Prior to any lot disturbance or construction of any type or for any purpose, including alterations or additions to existing structures, plans and specifications, detailing the nature, kind, shape, material and location, must be submitted for approval in writing by the ASC to the harmony of external design and location of the surrounding structures and topography.

D. To accomplish the objectives as referenced within these recitals, it is in the interest of First Flight Ridge for the Declarant to maintain a significant role in the implementation of improvements to be built within First Flight Ridge and, therefore, Declarant has retained numerous rights and will exercise control over the property throughout the developmental period.

NOW, THEREFORE, Declarant by this Declaration, declares that all that property as more particularly described in Section 2.01 shall be held, sold, hypothecated, or encumbered, leased, rented, used, occupied and improved subject to the following covenants, restrictions, easements, liens and charges, all of which are declared and agreed to be in furtherance of enhancing and projecting the architectural styles and designs promulgated within the Architectural Guidelines, and to enhance the value of properties which covenants, easements, and restrictions, shall run with the real property subjected to this Declaration as may be reasonably modified and amended from time to time in furtherance of the Statement of Purpose recited herein, all of which shall be binding on all parties, their respective heirs, personal representatives, successors, transferees and assigns, as well as occupants, guests and invitees having or acquiring any right, title or interest in First Flight Ridge.

**Article I**  
**Definitions**

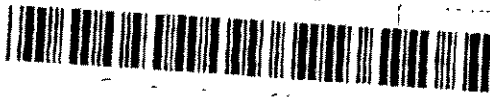
Section 1.01. Definitions. When using this Declaration, unless the content shall prohibit or otherwise require, the following words set forth within this Article I shall have all of the following meanings and all definitions applicable to the singular and plural forms of such terms.

Section 1.02. "Act" refers to the North Carolina Planned Community Act as codified in Chapter 47F of the North Carolina General Statutes.

Section 1.03 "Affiliates". Shall mean the principals of Declarant including: Raju Uppalapati, Eric Avery, Rebecca Farish, Phillip Lee and the Managers of Declarant: R&E Developments, LLC and Farlee, LLC.

Section 1.04. "Architectural Standards Committee" ("ASC") shall mean and refer to that committee responsible for administering the First Flight Ridge and setting and approving all structural improvements, additions, modifications and changes within First Flight Ridge.

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Section 1.05. "Articles of Incorporation" shall mean the Articles of Incorporation of First Flight Ridge Homeowners' Association, Inc. as filed with the Secretary of State of North Carolina.

Section 1.06. "Assessments" shall mean and refer to all annual assessments, special assessments, individual assessments, and other fees and charges levied by the Association in accordance with the Governing Documents.

Section 1.07. "Association" shall mean and refer to First Flight Ridge Homeowners' Association, Inc., a North Carolina non-profit association.

Section 1.08. "Board" shall mean and refer to the Board of Directors of the Association.

Section 1.09. "Bylaws" shall mean the Bylaws of the Association as they may now or hereafter exist.

Section 1.10. "Common Area" or "Common Property" shall mean and refer singularly or collectively, as applicable, to all real property and improvements thereon or associated therewith, which is/are owned or leased by the Association (or by Declarant for later transfer, lease, or assignment to the Association); easements granted to or reserved by or on behalf of the Association (or the Declarant for later transfer or assignment to the Association); and other real property which has been designated as Common Area on any plat recorded in the Office of the Register of Deeds, Dare County, North Carolina by Declarant or in a deed or other written instrument, and also shall refer to all personal property owned or leased by the Association and designated as Common Area by the Declarant or the Association. The Common Area is for the common use, enjoyment or benefit of the Owners, and/or for the enhancement or protection of the Property or any part thereof, and may include, without limitation, active and passive recreational areas and facilities. All Common Area shall be subject to the terms and conditions of this Declaration. Common Area may also include, as determined by Declarant in its sole discretion, all water retention and detention ponds and areas, if any, including all stormwater facilities, structures and improvements associated therewith, required to be constructed, repaired, replaced or maintained on or near the Property or any portion thereof by the laws, rules or regulations of any governmental authority having jurisdiction thereof and which is required to handle stormwater runoff from any part or all of the Property. The Common Area presently includes: all roads, the gated entrance area including gate and any other monuments and appurtenances associated with restricting the access to First Flight Ridge as a gated community, soundside parking lot, 100 foot pier and gazebo, common area lighting and common area landscaping.

Section 1.11. "Common Expenses" shall mean and refer to (i) expenses of administration, maintenance, improvement, repair or replacement of Common Area or Common Property and/or rights of way, (ii) expenses declared to be or described as Common Expenses by the provisions of this Declaration, (iii) premiums for hazard, liability or other insurance as may be obtained by the Association, (iv) all other expenses incurred by the Association in carrying out its functions and duties

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under the Declaration, and (v) charges for utility services used in connection with the Common Area and Improvements thereof.

Section 1.12. "Declarant" shall mean and refer to First Flight Ridge, LLC, a North Carolina limited liability company, its successors and assigns in whole or in part.

Section 1.13. "Declarant's Rights and Obligations Period" refers to any and all privileges, powers, easements, exemptions, rights and duties reserved to the Declarant by the Governing Documents, and any reasonable amendments thereto related to the development of First Flight Ridge including the pursuit and furtherance of the recitals set forth within the Statement of Purpose. The Declarant's Rights and Obligations Period shall extend until September 15, 2015. The Declarant may voluntarily elect an earlier termination of the Declarant's Rights and Obligations Period by giving written notice to the Association. During the Declarant's Rights and Obligations Period, the Declarant shall have all those Special Declarant's Rights defined by the Act and in addition those rights which shall include at a minimum: the right to make all appointments to the ASC, the right to appoint a majority of the Members to the Board of the Association and the right to approve any amendments to the Governing Documents.

Section 1.14. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for First Flight Ridge as it may be amended and supplemented from time to time as herein provided.

Section 1.15 "Dwelling Unit" shall mean and refer to a portion of the Property, whether developed or undeveloped, intended for development, use and occupancy as an attached or detached dwelling for single-family residential use. By way of illustration, but not limitation, each single-family, detached house on a Lot shall constitute a separate Dwelling Unit

Section 1.16 "Entrance Monument Easements" shall mean and refer to the easements reserved by Declarant and granted to the Association in Article X, Section 10.05 hereof over, under and across certain areas of the Property, for the installation and maintenance of entrance monuments and related improvements for the Property.

Section 1.17. "Governing Documents" refers to this Declaration, the First Flight Ridge Association, Inc. Articles of Incorporation and Bylaws of the Association.

Section 1.18 "Improvements" shall mean and include all buildings, storage sheds or areas, roofed structures, decks, patios, parking areas, exterior recreational areas, recreational equipment and facilities, mailboxes, exterior antennae, dishes or other apparatus to receive or transmit television or radio or microwave or other signals, loading areas, trackage, fences, walls hedges, mass plantings, poles, driveways, ponds, lakes, changes in grade or slope of a Lot or Dwelling Unit, silt preparation of a Lot or Dwelling Unit, landscaping, exterior clotheslines, swimming pools, tennis courts, signs, exterior illumination, changes in any exterior color or shape and any other exterior construction or

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exterior structure or other exterior improvement which may not be included in any of the foregoing. The definition of Improvements includes both original Improvements of all Lots and Dwelling Units and all later changes and additions to Improvements.

Section 1.19. "Landscaped Rights-of-Way" shall mean the medians and other areas within public or private street rights-of-way within or adjoining the Property which are designated as Common Area or Landscaped Rights-of-Way on any plat recorded in the Office of the Register of Dare County, North Carolina by Declarant which shall be maintained by the Association as a Common Expense.

Section 1.20. "Lot" shall mean and refer to any numbered plot of land which is part of the Property, and which is part of the Property other than the Common Area, and which is shown on any plat in the Office of the Register of Deeds, Dare County, North Carolina which Declarant has recorded, caused to be recorded or approved for recordation.

Section 1.21 "Maintain", "Maintenance" or any substantially similar term used in this Declaration, when applied to a power or duty of the Association shall mean and include, without limitation, the right to maintain, repair, replace, reconstruct, improve, clean, landscape, operate and use the improvement, property or other item which is the subject thereof.

Section 1.22 "Member" shall mean and refer to each Owner of a Lot or Dwelling Unit who is a member of the Association as provided in this Declaration.

Section 1.23. "Owner" shall mean and refer to the fee simple title to any Lot situated within First Flight Ridge. Notwithstanding any applicable theory of any lien or mortgage law, Owner shall not mean or refer to any mortgagee or trust beneficiary unless and until such mortgagee or trust beneficiary has acquired title pursuant to foreclosure or any legal proceeding in lieu of foreclosure.

Section 1.24. "Plans" shall mean and refer to the complete drawings and specifications for any contemplated Dwelling or Dwelling Unit including, but not limited to those showing the shape, dimensions, materials, basic exterior finishes and colors, location on site, driveway, parking, decorative landscape planting, floor plans and elevations therefore.

Section 1.25 "Property" shall mean the community of First Flight Ridge, and any additions thereto as are made subject to this Declaration.

Section 1.26 "Sign" shall mean any writing, pictorial representation, emblem, flag, or any other figure of similar character which is (i) a structure or part thereof, or is attached to, painted on or in any other manner represented on a Dwelling Unit or any other structure (ii) used to announce, direct attention to, or advertise and (iii) visible from outside an Improvement.

Section 1.27 "Single Family Home" shall mean any detached home built on any vacant lot

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within First Flight Ridge.

Section 1.28 "Special Assessment" shall mean assessments levied in accordance with Article VIII Section 8.01(2) of this Declaration.

Section 1.29 "Subdivision Plat" shall mean that plat of First Flight Ridge recorded in the Public Registry of Dare County, North Carolina.

Article II  
Property

Section 2.01. Property Made Subject to this Declaration. The real property which shall be owned, held, conveyed, hypothecated, encumbered, sold, leased, rented, used, occupied and improved subject to this Declaration shall consist all eight-three single-family residential lots in First Flight Ridge as more particularly described on Exhibit "A".

Section 2.02 Commercial Property. The Commercial Property of First Flight Ridge which borders on Highway 158 is not subject to this Declaration.

Article III  
Membership and Voting Rights

Section 3.01. Membership Each and every Owner of a Lot or Dwelling Unit within First Flight Ridge shall automatically become and be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit, and the Board may make reasonable rules relating to the proof of ownership of a Lot or Dwelling Unit.

Section 3.02. Classes of Voting Members. Subject to the rights of Declarant reserved in this Section 3.02, the Association shall have two classes of voting membership as follows:

Class A. Class A Members shall be all Owners of Lots, with the exception of Declarant until such time as Declarant's Class B Membership is converted to Class A Membership as provided in this Article. A Class A Member shall be entitled to one (1) vote for each Lot or Dwelling Unit owned by such Class A Member at the time notice is given of the particular meeting at which Class A membership votes are eligible to be cast. Provided, when two (2) or more persons own or hold interests in any Lot or Dwelling Unit, all such Persons shall be Class A Members, and the one (1) vote for such Lot or Dwelling Unit shall be exercised as they, among themselves, determine, but fractional voting shall be prohibited and in connection with any particular vote no more than one Class A Membership (1) vote shall be cast with respect to each Lot or Dwelling Unit.

Class B. The Class B Member shall be the Declarant. The Class B Member shall be



entitled to three (3) votes for each Lot or Dwelling Unit owned by the Class B Member at the time notice is given of the particular meeting at which the Class B votes are eligible to be cast.

The Class B Membership shall terminate and be converted to Class A Membership upon the happening of the first to occur of the following:

- (a) when the total votes outstanding in Class A Membership equal the total votes outstanding in Class B Membership; or
- (b) voluntary termination by Declarant; or
- (c) September 15, 2015.

Section 3.03. Voting, Quorum and Notice Requirements. Except as may be otherwise specifically set forth in this Declaration, the Articles or the Bylaws, the vote of the majority of the aggregate votes entitled to be cast by all classes of the Members present, or represented by legitimate proxy, at a legally constituted (duly called) meeting of the Association at which a quorum is present, shall be the act of the Members with respect to the matter that is the subject of such vote. The number of votes required to constitute a quorum shall be as set forth herein or in the Bylaws. Notice requirements for all action to be taken by the Members of the Association shall be as set forth herein or in the Bylaws.

Section 3.04. Termination of Membership. A Person's membership in the Association shall terminate automatically whenever such Person ceases to be an Owner, but such termination shall not release or relieve any such Person from any liability or obligation incurred under or in any way connected with the association of this Declaration during the period of such Person's ownership of a Lot or Dwelling Unit, or impair any rights or remedies which the Association or any other Member has with regard to such former member.

#### Article IV Property Rights in the Common Area

Section 4.01. Easement of Enjoyment. Subject to the provisions of this Declaration (and subject to the provisions of any Supplemental Declaration or Additional Declaration which may be applicable and not inconsistent herewith), every Owner shall have a right and easement of use and enjoyment in and to the Common Area, and every Owner of a Lot or Dwelling Unit in a phase or section of the Development which has Limited Common Area shall have a right and easement of use and enjoyment in and to such Limited Common Area, which rights and easements shall be appurtenant to and shall pass with the title to every Lot or Dwelling Unit; provided however, such easement shall not give such person the right to make alterations, additions or improvements to

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any part of the Common Area or Limited Common Area. Subject to the terms of the Governing Documents, any Owner may delegate such Owner's right of use and enjoyment in and to the Common Area or Limited Common Area to the members of such Owner's family, such Owner's tenant or contract purchasers who reside on the Owner's Lot or Dwelling Unit.

Section 4.02. Extent of Owners' Easement. The rights and easements of enjoyment created in Section 4.01 of this Article IV shall be subject to the following:

- (a) all provisions of this Declaration affecting such rights and easements, including without limitation those contained in this Article IV.
- (b) the right of the Association to prescribe and enforce regulations governing the use, operation and maintenance of the Common Area (including limiting the number of guests of Members who may use the Common Area).
- (c) the right of the Association to borrow money for the purpose of improving, repairing, replacing and maintaining the Common Area and facilities and/or the Landscaped Rights-of-Way and in connection with such borrowing to mortgage the Common Area, provided the rights of such mortgagee in the Common Area shall be subordinate to the rights of the Association and the Owners hereunder (Note: the term "mortgage" when used in this Declaration also includes a Deed of Trust and any other type of security interest in real or personal property).
- (d) the right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure;
- (e) the right of the Association to suspend the voting rights and the right to use recreational facilities of the Common Area if any, by an Owner (including his tenants) for any period during which any assessment against such Owner's Lot or Dwelling Unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations;
- (f) the right of the Association to charge reasonable admission and other fees for the use of any recreational facilities that may be placed within the Common Area.

Section 4.03. Changes in Boundaries; Additions to Common Areas. Declarant expressly reserves for itself and its successors and assigns the right to reasonably change and realign the boundaries of the Common Areas and the Limited Common Areas and any Lots, including the realignment of boundaries between adjacent Lots or Dwelling Units owned by Declarant, provided that any such change or realignment of boundaries shall not materially decrease the acreage of the Common Areas and shall be evidenced by a revision of and/or addition to those plats of First Flight Ridge which shall be recorded in the Office of the Register of Deeds of Dare

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County, North Carolina. Except as provided herein, lots may not be subdivided or separated into smaller lots or any portion of a lot separately conveyed.

Section 4.04. Damage or Destruction of Common Areas by Owner. If any Owner or any of their guests, tenants, licensees, agents, employees of Owner or his family damages any of the Common Areas as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. The cost of repair shall be the responsibility of that Owner and shall become an Individual Lot Assessment payable by the responsible Owner. In the event an Owner disputes either responsibility or the amount of damage claimed, then the Owner may request a hearing pursuant to the revisions of Section 7.14 (b) and any liability determined shall be an assessment secured by lien as allowed by the Act.

Section 4.05. Streets. The Association may make rules and regulations concerning driving and parking within First Flight Ridge including any designations of parking, the posting of speed limits and any other traffic signs to take reasonable measures to discourage excessive speed and encourage safe driving on the streets.

Section 4.06. Ingress and Egress. Notwithstanding anything to the contrary appearing in this Declaration, if ingress and egress to any Lot or Dwelling Unit is through any part of the Common Area, any conveyance or encumbrance of such part of the Common Area shall be subject to an easement for ingress and egress for such Lot or Dwelling Unit over and upon such portion of the Common Area as is designated for ingress and egress (by a public or private street or right of way) and shown on a recorded plat of such Common Area, Lot or Dwelling Unit affected thereby or created or reserved by Declarant in an instrument recorded in the Dare County, North Carolina Registry.

Section 4.07. Title to Common Areas. The Declarant shall retain the legal title to the Common Areas until such time as it has completed improvements, if any, thereon and until such time as, in the opinion of the Declarant, the Association is able to maintain the same but, notwithstanding any provision to the contrary herein, the Declarant hereby covenants, for itself, its successors and assigns, that it shall convey the Common Areas to the Association at its option anytime prior to September 15, 2015.

Section 4.08. Stormwater Management Improvements. The Association will be responsible for maintenance of any stormwater management swales, channels and check dam repairs. Each Association shall be responsible to insure that each owner within each neighborhood maintains his driveway. Such maintenance is to include removal of sediments within the swales and channels, restabilization of the swales and channels as needed, check dam repairs and upkeep of the vegetation cover on a periodic, as required basis. Each Dwelling Unit which is attached to another Dwelling Unit is hereby subject to an easement upon and across such other attached Dwelling Unit for the drainage and discharge of water from any storm drain to or

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toward downspouts situated on the other attached Dwelling Unit and the owner of such Dwelling Unit may not alter or obstruct such drainage or flow of water to the detriment of the other Dwelling Unit or the common areas of First Flight Ridge.

Section 4.09. Sales and Construction Offices. Notwithstanding any provisions of restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant and its successors and assigns during the Declarant's Rights and Obligations Period, the alienable and transferable right and easement in and to First Flight Ridge for the maintenance of signs, sales offices, construction offices, business offices and model Dwelling Units, together with such other facilities as may be reasonably required, convenient, or incidental to the completion and improvement of Common Areas, and/or sale of Lots, for so long as Declarant owns any Lot or Dwelling Unit primarily for the purpose of sale.

Section 4.10. Model Homes. During the Declarant's Rights and Obligations Period, the only Dwelling Units which may be used as "sales offices" or "model homes" shall be those which have been specifically approved in writing by the Declarant. Presently, the only permitted use of sales offices or model homes shall be those sales offices or model homes operated by BD&A Realty & Construction, Inc.

Article V  
Declarant's Reserved Rights and Obligations

Section 5.01. Duration of the Declarant's Rights and Obligations Period. The rights and obligations reserved for the benefit of the Declarant (the "Declarant's Rights and Obligations Period") shall extend until September 15, 2015. The Declarant, however, may elect to voluntarily terminate all or any portion of the Declarant's Rights and Obligations Period by expressing such election in writing to the Association.

Section 5.02. Right to Complete First Flight Ridge. The Declarant shall have the right to conduct all lawful activities required or related to the completion of First Flight Ridge as such may be reasonably amended from time to time and as approved under the Ordinances of Dare County, North Carolina.

Section 5.03. Governing Documents. During the Declarant's Rights and Obligations Period, the Association shall make no amendments to the Governing Documents or take any other action that may adversely affect the Declarant's interest without the Declarant's prior written consent.

Section 5.04. Easements. The Association shall take no action seeking to alter easements established in the Governing Documents by the Declarant, nor to prevent establishment of easements necessary to complete the First Flight Ridge.

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Section 5.05. The Declarant's Representation on the Board. During the Declarant's Rights and Obligations Period, the Declarant shall have the right to appoint two of the three members serving on the Board of the Association which right of appointments may earlier be terminated as provided in Section 5.01 herein. The number of members of the Board and composition may not be changed during the Declarant's Rights and Obligations Period without the Declarant's written consent.

Article VI  
Architectural Standards

Section 6.01. Purpose. Declarant desires to provide for the preservation of the values of First Flight Ridge with respect to any Dwelling Unit to be constructed on any portion of the Property. To that end, Declarant will establish an Architectural Standards Committee (the "ASC"). The purpose of the appointed ASC is to maintain standards as to appearance, shape, dimension, construction material, and color among other things, in order to establish a desirable consistency and harmony, among adjacent and surrounding structures and relative to location and topography.

Section 6.02. Advance Approval Required. All construction (which term shall include within its definition: staking, clearing, excavation, grading and other site work) or modification (except interior alterations not affecting the external structure or appearance of any building) including plantings or removal of plants, trees or shrubs shall not take place except in strict compliance with this Article, until the requirements below have been fully met and written approval of the Architectural Standards Committee ("ASC") has been obtained pursuant to Section 6.03 below. Unless approved in accordance with this Article, no structure, including, but not limited to: fences, porches, patios, decks, privacy walls, gates, pools, whirlpools or other pools, and awnings, shall be placed, erected or installed upon any Lot and/or Dwelling Unit.

Unless otherwise approved by the ASC, all improvements constructed on any portion of First Flight Ridge shall be designed by and built in accordance with the plans and specifications of an approved licensed architect and an approved licensed general contractor. For the purposes of this Article, an "Approved Licensed Architect" and "Approved Licensed General Contractor" shall mean an architect or general contractor properly licensed who has made application and has been approved by the ASC. The requirements and procedure for becoming an approved architect or general contractor shall be determined by the ASC.

This Article shall not apply to the activities of the Declarant, nor to construction of improvements or modifications to the Common Areas by or on behalf of the Association

This Article may not be amended during the Declarant's Rights and Obligations Period without the Declarant's prior written consent.

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Section 6.03. Architectural Standards Committee. During the Declarant's Rights and Obligations Period, the Declarant retains the right to determine the composition and appointment of all members of the ASC. Thereafter, all appointments shall be made by the Board.

Responsibility for administration of the Architectural Guidelines and review of all applications for construction and modifications under this Article VI shall be handled by the ASC. The members of the ASC need not be Owners within First Flight Ridge and may but not need include: architects, engineers or similar professionals, whose compensation, if any, shall be established and remitted from time to time by the Declarant. The Declarant may establish reasonable fees to be charged by the ASC for review of applications hereinafter and may require such fees to be paid in full prior to review of any application.

Section 6.04. Guidelines and Procedures. The Declarant shall prepare the initial design and development guidelines and applications and review procedures (the "Architectural Guidelines") which shall be applicable to all construction activities within First Flight Ridge.

**Prior to submission of any plans, an Owner must first obtain a copy of the Architectural Guidelines and review those Guidelines and complete the application with the Architectural Guidelines as the ASC will not review any application other than the uniform application prepared by the ASC.**

The ASC shall adopt the Architectural Guidelines and thereafter shall have sole and full authority to reasonably amend the Architectural Guidelines from time to time without the consent of the Association, provided said amendments are consistent with the Statement of Purpose set forth within this Declaration; however, any amendments during the Declarant's Rights and Obligations Period must have the prior written consent of the Declarant. Subsequent to the Declarant's Rights and Obligations Period, any amendments to the Architectural Guidelines may be either proposed by the ASC to the Association or may be proposed initially by the Association and any adoption thereafter must be by a majority vote of the Board.

The ASC shall make the Architectural Guidelines available to Owners and approved Architects and General Contractors who seek to engage in any development and construction in First Flight Ridge and all such persons shall conduct their activities in strict accordance with the Architectural Guidelines. A written document acknowledging receipt of the Architectural Guidelines shall be signed by the appropriate General Contractor prior to commencement of any construction activity. All Owners, Architects, General Contractors, sub-contractors, materialmen and their agents shall conduct their activities strictly in accordance with the Architectural Guidelines.

Any amendments to the Architectural Guidelines as may be reasonably adopted from time to time by the ASC in accordance with this Section 6.04 shall apply to construction and modifications commenced after the date of such amendment only, and shall not require



modifications or removal of structures previously approved by the ASC once the approved construction or modification has commenced.

The ASC may promulgate from time to time detailed standards and procedures governing its area of responsibility and practice. In addition thereto, the following shall apply: plans and specifications showing the nature, kind, shape, color, size, materials and location of any proposed construction and any modification, addition or alteration to any prior approvals shall be submitted to the ASC for approval as to quality of workmanship and design and as to harmony of external design with existing structures, and as to location in relation to surrounding structures, topography and finishing grade elevation.

The plans to be submitted must include site plans which depict all access streets and walkways, pathways, and other exterior improvements, grading drainage plan, fill plan, if any, indicating runoff, foundation plan, exterior and lighting plan. The architectural drawings submitted must include total enclosed heated/air conditioned square footage, the floor plans, including an exact computation of the square footage of each floor and drawn to the scale of one quarter inch equals one foot, elevation drawings for all sides which shall indicate existing grade, fill and finished floor elevation, detailed drawings of typical wall sections and any other extra features, and a complete identification of colors and materials, including shingles, siding and color.

At time of submission, three sets of plans shall be submitted with the completed ASC application form along with an application fee of \$500.00 and a security deposit of \$2,000.00. Construction of all improvements must be completed within nine months from the date the ASC grants an applicant approval. The security deposit will be returned after completion of construction and compliance with the approved plans.

**Section 6.05. Non-Precedential Nature of Approvals.** Each applicant acknowledges that the composition of the ASC will change from time to time and that decisions regarding aesthetic matters and interpretation and application of the Architectural Guidelines may reasonably vary from time to time. In addition, each applicant acknowledges that it may not always be possible to identify objectionable features of proposed Improvements until the Improvements are completed, in which case it may be unreasonable to require changes to the Improvements previously approved, but the ASC may refuse to approve similar Improvements in the future. Approval of Improvements for any particular applicant or Dwelling Unit shall not be deemed a waiver of the right to withhold approval as to any similar Improvements subsequently submitted for approval.

**Section 6.06. No Waiver of Future Approvals.** The approval of the ASC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ASC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or

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consent.

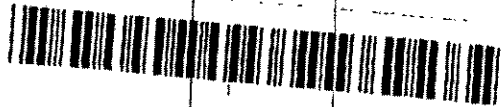


Section 6.07. Basis for Decision and Variance. The ASC shall approve or disapprove any application in its reasonable discretion, based primarily on adherence with the Architectural Guidelines; however, the ASC reserves the right to grant variances based on architectural merit and on existing landscape conditions. The ASC may also consider the nature, kind, shape, height of materials and location of the proposed improvements, harmony with surrounding structures and topography, and other factors including purely aesthetic considerations, which in the sole opinion of the ASC will affect the desirability or suitability of the construction.

Section 6.08. Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the ASC shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications or for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the ASC or the Association, or member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Dwelling Unit.

Section 6.09. Enforcement. Any construction, alteration or other work done in violation of this Article or in a manner inconsistent with the application approved by the ASC shall be deemed to be nonconforming. Upon written request from the ASC ("Notice of Nonconformity"), an Owner shall, at his own cost and expense, promptly remove the nonconformity and restore the property to substantially the same condition as existed prior to the creation of the nonconformity. In the event an Owner is in disagreement as to the Notice of Nonconformity, then the Owner has the right to request a hearing before a three-member panel designated by the ASC provided the Owner delivers written notice for request of hearing to the Secretary of the Association no later than ten (10) days from the date the Owner received the Notice of Nonconformity. Upon receipt of any request for hearing, the Secretary of the Association shall thereafter calendar a hearing not less than seven (7) days nor more than fifteen (15) days before the ASC. Subject to procedures as may be established by the ASC, any Owner may appeal the ASC's decision to the Board. The Board at its election may either calendar a further hearing or uphold, modify or reverse the decision of the three member panel of the ASC and said decision by the Board shall be final. Upon issuance of the Notice of Nonconformity, all construction shall be stayed pending compliance by the Owner or resolution by the ASC or review and final decision by the Board. In accord, a stop-work order may be posted on the Owner's property by the ASC. Should an Owner fail to remove and restore any nonconformity as required hereunder, the Association or its designees shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs, together with the interest at the maximum rate then allowed by law, including reasonable attorney's fees allowed by the Act, may be assessed against the nonconforming Lot or Dwelling Unit and collected as an Individual Assessment pursuant to Section 8.04.

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Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and First Flight Ridge may be excluded by the Declarant (during the period of the Declarant's Rights and Obligations Period) from First Flight Ridge, subject to the notice and hearing procedures established by the ASC. In such event, neither the Association, its officers nor directors shall be held liable to any person for exercising the rights granted by this Section.

In addition to the foregoing, the ASC shall have the authority and standing, on behalf of the Association, to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the ASC.

## Article VII USE RESTRICTIONS

**Section 7.01. Purpose.** In order to preserve the natural setting and beauty of First Flight Ridge, and to establish and preserve a harmonious and aesthetically pleasing design pursuant to standards promulgated by the Association, and to protect and promote the value of all properties within First Flight Ridge each Lot and Dwelling Unit located within First Flight Ridge shall be subject to the restrictions set forth in this Article VII. Every grantee of any interest First Flight Ridge (unless specifically exempted) by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article VII.

**Section 7.02: General Provisions.** All Properties within First Flight Ridge shall be used for only single family, non-transient residential purposes consistent with this Declaration and any reasonable amendments. The Association acting through its Board, shall have authority to make and to enforce standards and restrictions governing the use of First Flight Ridge. Such regulations and use restrictions shall be binding upon all Owners, occupants, invitees and licensees, if any Board. The Use Restrictions provided herein are not intended to interfere with the interior confines of Dwelling Units, except that the Association with approval of the Board may reasonably restrict or prohibit the following:

- (1) activities not normally associated with residential or home office. Except as otherwise provided herein, no business activity or trade of any kind (other than activities related to development of the Development by Declarant, installation and maintenance work by utility providers and persons responsible for street maintenance or replacement of a single-family residence or improvement or maintenance of a Lot or Dwelling Unit) shall be conducted on any Lot or within any Dwelling Unit, except that an Owner residing in a Dwelling Unit on a Lot may conduct business activities within the Dwelling Unit as long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit; (b) the business activity conforms to all

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zoning requirements for the Property; (c) the business activity does not involve persons coming onto the Property who do not reside in the Property or door to door solicitation of residents of the Property; and (d) the business activity is consistent with the residential character of the Property and does not constitute a nuisance, a hazardous or offensive use or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board. The term "business" and "trade" as used in this Section, shall be construed to have the ordinary, generally accepted meanings, and shall include without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provisions of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether such activity is engaged in full or part time, such activity is intended or does generate a profit; or a license is required therefor;

- (2) activities that create a danger to the health or safety of the occupants of other Dwelling Units;
- (3) activities that generate excessive noise or traffic; and
- (4) activities that create unsightly conditions visible outside the Dwelling Unit.

**Section 7.03. Animals.** No animals, livestock or poultry of any kind shall be kept or maintained on any portion of the Property or in any Dwelling Unit except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes, that they do not create a nuisance (in the judgment of the Board), such as, but without limitation, by number, noise, odor, damage or destruction of property or refuse and further provided that they are kept and maintained in compliance with (i) all laws and ordinances of the State of North Carolina, Dare County, or other applicable governmental entity relating thereto; and (ii) such rules and regulations pertaining thereto as the Board may adopt from time to time. In no event shall more than three dogs and/or three cats be regularly kept on any Lot or in any Dwelling Unit, except for newborn offspring of household pets which are under nine (9) months of age. Notwithstanding the foregoing, Pitbulls are expressly prohibited, and the Association shall have the right to prohibit or require the removal of any dog or animal, which after consideration of factors such as size, breed, disposition of the animal, interference by the animal with the peaceful enjoyment by other Owners of their Lots and the security measures taken by the Owner with respect to such animal, the Association, in its sole discretion, deems to be undesirable, a nuisance or a safety hazard. Every person owning or having possession, charge, care custody or control of any dog shall keep such dog exclusively upon his own Lot; provided however, that such dog may be part of the Lot if it is under the control of a competent person and restrained by a chain, leash or other means of adequate physical control.



Section 7.04. Antennae. No exterior antennae, earth satellite station, microwave dish or other similar improvements may be constructed, placed, maintained or allowed to remain on any Lot or Dwelling Unit (or on any Improvement) other than a "Reception Device". As used herein, a Reception Device shall refer to a satellite dish or other device designed to receive video programming or antenna designed to receive over-the-air broadcast signals from local television stations. The use of a Reception Device is allowed, but will be limited as follows: (i) a Reception Device thirty-nine (39) inches or smaller in diameter is allowed, and Reception Devices larger than one meter are prohibited; (ii) Reception Devices must be installed on the Dwelling Unit in an inconspicuous location (so long as the quality of reception is not impaired); (iii) for safety purposes, no Reception Device may be installed that would extend higher than twelve (12) feet above the roofline of the Dwelling Unit without approval from the Architectural Control Committee; (iv) for safety purposes, Reception Devices shall not be installed closer to an adjacent Dwelling Unit than the total height of the Reception Device; (v) the Owner of the Dwelling Unit upon which the Reception Device is located shall be solely responsible for the maintenance, repair, upkeep and all other costs associated with the Reception Device, including any medical expenses incurred by any person injured by the use of such Reception Device,; and (vi) the Reception Device should be painted an appropriate color to match the surrounding environment if it would not unreasonably increase the cost of the Reception Device. If any provision of this Section 7.04 is found to be invalid, the remainder of these provisions shall remain in full force and effect.

Section 7.05. Attachments. No permanent attachments of any kind or character whatsoever shall be made to the roof or exterior walls of any Dwelling Unit unless such attachments shall have been first submitted to and approved by the Architectural Control Committee; provided, however, "Reception Devices" (as defined in Article 7.04 herein) may be attached to the roof or exterior wall of a Dwelling Unit without approval by the ASC. No outdoor clotheslines shall be allowed on any Dwelling Unit or Lot. Window air-conditioning units are not allowed. All components of HVAC systems located outside a Dwelling Unit must be screened by lattice and planted vegetation, which vegetation must be maintained.

Section 7.06. Lawn Furniture and Statues. No lawn furniture or decorative items, such as statuettes or renderings of animate or inanimate objects shall be maintained in the front or side yards of any Lot or Dwelling Unit unless shielded from view by landscaping, a fence or a wall approved in advance in writing by the ASC.

Section 7.07. Nuisances, Unlawful Use and Quiet Enjoyment. No nuisance or immoral, improper, offensive or unlawful use shall be permitted to exist on any property within First Flight Ridge. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with. No portion of First Flight Ridge shall be used, in whole or in part, for the storage of any property or thing that will cause it to appear to be in an unclean or untidy condition or that will be First Flight Ridge that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet,



lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree line is maintained at sufficient height to prevent obstruction of sight lines. Declarant reserves the right to waive the foregoing requirements with respect to portions of any Lots and/or Villas that also are considered Common Area.

Section 7.14. Time Sharing. No time-share ownership of property is permitted in First Flight Ridge. For purposes of this section, the term "Time-Share Ownership" shall mean a method of ownership of an interest in a property under which the exclusive right of use, possession or occupancy of the property circulates among the various Owners on a periodically reoccurring basis over a scheduled period of time.

Section 7.15. Compliance Provisions.

(a) Owner's Responsibility. Each Owner and Owner's family members, guests and tenants shall conform and abide by the Covenants contained in this Declaration and any Rules and Regulations which may be adopted from time to time by the Association. Each Owner shall be responsible for assuring such compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner.

(b) Notice, Hearing and Fines. Unless otherwise provided (as in Articles VI and Article IX), any Owner who is believed to be in violation of this Declaration or any Rules and Regulations adopted by the Board, shall be sent a "Notice of Violation" setting forth the violation, any requested corrective action, and if applicable, notice of any proposed suspension of privileges within First Flight Ridge and any fines which may be assessed. Upon receipt of a Notice of Violation, the Owner may either take the corrective action set forth within the Notice of Violation or in the event an Owner is not in agreement with the terms of the Notice of Violation, then prior to any proposed suspension or assessment of any fines, the Owner has the right to a hearing before the Board provided the Owner delivers written notice for request of hearing to the Secretary of the Association no later than ten (10) days from the date the Owner received the violation. Upon receipt of any request for hearing, the Secretary of the Association shall thereafter calendar a hearing not less than seven (7) days nor more than thirty (30) days before the Board. If it is determined that the Owner is in violation and a fine shall be imposed, a single fine not to exceed \$100.00 may be imposed for the violation up to the time of the hearing and without further hearing, for each day after the decision by the Board that a violation has occurred. In the event it is determined that privileges are to be suspended, the suspension may continue without further hearing until the violation or delinquency is cured. All costs, together with interest at the maximum rate permitted by law, including reasonable attorney fees as allowed by the Act may be assessed against the Owner's property and collected as an Individual Assessment pursuant to Section 8.04. Notwithstanding the enforcement provisions provided herein, the primary goal is not to punish but to conciliate and resolve problems. The Board may suggest or approve

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agreements and withhold the agreement of paying a fine if the agreement is honored. Any fines levied shall be charged against the Owner's property as an Individual Assessment pursuant to Section 8.04. The provisions provide herein for notice and hearing only apply to those matters which could result in an individual assessment being levied and do not apply to any other type of assessments.

(c) Additional Remedies. All remedies listed in this section are non-exclusive and may be applied cumulatively.

VIII  
Assessments

Section 8.01. Creation of Assessments, Personal Obligation and Lien. Each owner, other than the Declarant of any Lot or Dwelling Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to and does hereby covenant and agree to all the covenants, easements and restrictions of this Declaration and to pay to the Association:

- (1) annual assessments or charges;
- (2) special assessments for capital improvements (such annual and special assessments to be fixed, established and collected from time to time as herein or in the Bylaws provided); and
- (3) individual assessments levied against an Owner to reimburse the Association for extra costs for maintenance and/or repairs caused by the failure of such Owner to maintain such Owner's individual Lot or Dwelling Unit and Improvements thereon, or for damage to or destruction of Common Area by the Owner or the Owner's guests, tenants, licensees, agents, or family members, all of such assessments and charges to be fixed, established and collected as hereinafter provided; together with the costs, fees and expenses including reasonable attorney's fees (the "costs of collection") incurred by the Association incidental to the enforcement of any Rules and Regulations, collection of assessments or collection of damages or charges arising under the Governing Documents. All assessments together with interest and late payment fees, and any costs of collection shall be a charge on the land and shall be a continuing lien upon the Lot or Dwelling Unit against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be a personal and continuing obligation of the person or persons jointly and severally, who is (are) the Owner (s) of such Lot or Dwelling Unit at the time when the assessment fell due.

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An Owner's personal obligation for payment of such assessments shall not pass to such Owner's successors in title unless expressly assumed by them, but the lien against such Owner's Lot or Dwelling Unit as established in this Declaration shall continue in effect (unless terminated as otherwise provided herein). No Owner shall be exempt from liability for any assessment provided for herein by reason or non-use of such Owner's Lot or Dwelling Unit or the Common Area. This Declaration shall, pursuant to Section 6-21.2 of the North Carolina General Statutes, constitute an evidence of indebtedness with respect to the obligation to pay each assessment provided for herein.

Section 8.02. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, security, safety and welfare of the residents of First Flight Ridge and in particular for:

- (a) The improvement, maintenance and replacement of the Common Areas (including, without limitation, the landscaped right-of-way);
- (b) Establishment of capital replacement reserves;
- (c) For the acquisition of services and facilities devoted to the foregoing purposes or for the use and enjoyment of the Common Areas, including but not limited to, the cost of repairs, replacements, additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Areas, the procurement and maintenance of insurance related to the Common Areas, its facilities and use in accordance with the Governing Documents, the employment of counsel to represent the Association if necessary, and such other requirements as may be necessary to perform all of the aforesaid functions and purposes;
- (d) Carrying out the purposes and duties of the Association as stated in its Articles and Bylaws and as stated in this Declaration.

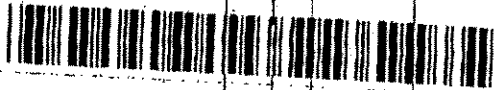
Without limiting the generality of the above-described purposes, the assessments levied by the Association may be used for the acquisition, construction, improvement (including landscaping and planting) and maintenance of any common facilities located or to be located in the Common Area and Landscaped Rights of Way, and any landscaping easement areas or Entrance Monument easement areas as shall be indicated on the recorded plats of First Flight Ridge

Section 8.03. Initial Maximum Annual Assessment and Annual Assessment. The initial maximum annual assessment for the calendar year 2004 shall be as follows:

Owner Members

Annual Assessment

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Per vacant Lot	\$500.00
Per single family home	\$1,000.00

The maximum annual assessment for each successive calendar year thereafter shall be established by the Board subject to Article VIII. Within thirty (30) days after adoption of the yearly budget, the Board shall provide to all Owners a summary of the budget and a notice of the meeting to consider ratification of the budget. The Board shall set a date for a meeting of the Owners to consider ratification of the budget, such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. A quorum need not be present at such meeting, and the budget is ratified unless at that meeting the Owners entitled to exercise fifty-one percent (51%) of the votes in the Association reject the budget. In no event may the Board or membership of the Association decrease the amount of the annual assessment for any calendar year from the amount of the annual assessment for the previous calendar year.

**Section 8.04. Individual Assessment.** An Individual Assessment may be levied against any Owner to reimburse the Association for costs incurred in bringing the Owner and/or such Owner's Lot or Dwelling Unit into compliance with the Governing Documents, provided such Individual Assessment may only be levied on the affirmative vote of the Board, after notice of an opportunity for hearing has been provided to the Owner pursuant to the applicable provisions of either Section 6.09, Section 7.14 or Section 9.03.

**Section 8.05. Emergency Assessments.** In addition to the annual assessments, special assessments, and individual assessments authorized herein, in the event of an "Emergency" (as hereinafter defined), the Board, on behalf of the Association, in the Board's sole discretion, may levy an emergency assessment for the purpose of taking preventative, protective, stabilizing, or remedial actions to protect the Common Area or any Improvements located thereon, and to further reconstruct, repair or replace any portion of the Property or Improvements following such Emergency. An "Emergency" for purposes of this Section 8.05 includes, but is not limited to, floods, hurricanes, tornadoes, fires, acts of God or other naturally occurring phenomena. An emergency assessment shall be due and payable as established by the Board.

**Section 8.06. Rate of Assessments.**

(a) Except as otherwise set forth herein, assessments other than individual assessments must be fixed at a uniform rate for all Lots. Annual Assessments other than individual or special assessments may be collected on a monthly, quarterly, annual or other basis, as determined by the Board, and may be collected in advance. The Board shall have the power at any time and from time to time, in its sole discretion and upon such terms and conditions as the Board deems appropriate, to allow percentage discounts to Owners who pay assessments earlier than would

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otherwise be required for such payments; provided, however, all such discounts shall be made available to and applied uniformly to the Owners of all Lots that are subject to the assessment to which the discount applies.

(b) Notwithstanding anything to the contrary that may appear in this Declaration, all Lots and Dwelling Units owned by Declarant shall be exempt from annual, special, and individual assessments, until the initial sale of such Lot or Dwelling Unit to a third party.

**Section 8.07. Commencement of Assessments: Establishing the Amount: Due Dates.**

The annual assessment shall commence with respect to the Dwelling Units and Lots in any Phase on the first day of the month immediately following the month in which the first Lot or Dwelling Unit in such phase or section of First Flight Ridge conveyed to the Owner by Declarant, and the amount of the first annual assessment applicable to the Lot or Dwelling Unit shall be prorated in accordance with the number of months remaining in the calendar year on and after it becomes applicable to the Lot or Dwelling Unit. A special assessment and/or individual assessment shall be applicable to each Lot or Dwelling Unit subject to this Declaration at the time such assessment is established. The Board shall establish the amount of the annual assessment for the ensuing calendar year at least thirty (30) days in advance of the beginning of such year, and, if the amount of the annual assessment changes from the amount for the current year, the Board shall cause written notice of the new annual assessment to be sent to at least one of the Owners of each Lot or Dwelling Unit subject to the assessment. Subject to any limitations contained in the Governing Documents and applicable laws, the Board is empowered at any time and from time to time to establish the due dates and penalties for late payment of annual and special assessments. The failure of the Board to establish the amount of any annual assessment as required herein shall not be a waiver or modification in any respect of the provisions of this Declaration, or a waiver of the Board's right to establish the annual assessment at any time during the calendar year to which it is applicable, or a release of any Owner from the obligation to pay the assessment or any installment thereof for that or any subsequent year, and the annual assessment established for the immediately preceding calendar year shall continue in effect until the Board has established the new annual assessment.

**Section 8.08. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; The Lien, Remedies of Association.** If the assessments are not paid on the date due (being the dates referred to in Section 8.07 of this Article), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot or Dwelling Unit. The personal obligation of the Owner to pay such assessment shall remain his personal obligation for the statutory period and shall be binding on any successor in interest.

If the assessment or assessments are not paid within thirty (30) days after the delinquency date, the assessment or assessments shall bear interest from the date of delinquency at the rate of interest set by the Board, not to exceed the maximum rate permitted by law, and the Board acting

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on behalf of the Association may authorize its officers to bring appropriate civil action against the Owner personally obligated to pay the same or to foreclose the lien against any such Lot or Dwelling Unit and there shall be added to the amount of such assessment, the costs of such action and reasonable attorney's fees as allowed by the Act or other cost incurred by the Association. In the event a judgment is obtained against any Owner for such assessments, such judgment shall include interest on the assessment at the maximum rate permitted by law and a reasonable attorney's fee as allowed by the Act together with the costs of the action.

Section 8.09. Subordination of the Lien to Mortgages or Deeds of Trust. The lien of the assessments provided for herein shall be absolutely subordinate to the lien of any first mortgage or deed of trust now or hereafter placed upon any Lot or Dwelling Unit, subject to assessment. The subordination shall not relieve any Lot or Dwelling Unit from liability for any assessments now or hereafter due and payable, but the lien thereby created shall be secondary and subordinate to any first mortgage or deed of trust as if said lien were a second mortgage or deed of trust, irrespective of when such first mortgage or deed of trust was executed and recorded.

Section 8.10. Exempt Property. All Common Area, Limited Common Area, all property of the Residual Parcel and real property owned by governmental entities, and all Lots, Dwelling Units, and other portions of the Property owned by Declarant, shall be exempt from the assessments and liens for same created herein. Provided; however, no real property or improvements subject to this Declaration and occupied and used for residential dwelling purposes shall be exempt from such assessments and liens, other than Lots and Dwelling Units owned by Declarant and any affiliates of Declarant which property shall be exempt from assessments during the Declarant's Rights and Obligations Period.

Section 8.11. Declarant's Obligations for Assessments. The Declarant's obligation for assessments on unsold Lots or Dwelling Units subject to this Declaration will be limited to the difference between the actual operating costs of the Association, excluding reserves on the Common Areas, and the assessments levied on Owners who have closed title on their Lots or Dwelling Units. In no event, however, will the Declarant be required to make a deficiency contribution in any amount greater than it would otherwise be liable for if it were paying assessments on unsold Lots or Dwelling Units. After the Declarant's Rights and Obligations Period, Declarant shall pay assessments as would any other Owner for each Lot or Dwelling Unit owned by the Declarant.

Section 8.12. Certificate of Payment. The Secretary of the Association shall furnish a certificate stating whether any assessments are owed by an Owner. Such certificate may be relied upon by a good faith purchaser or mortgagee as conclusive evidence of payment of any assessment therein stated to have been paid.

Article IX

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Maintenance

Section 9.01. Responsibilities of Owners. Each Lot or Dwelling Unit Owner shall be responsible for all maintenance and repair of his Lot and/or Dwelling Unit together with all other improvements thereon or therein and all landscaping of grounds on and within the Lot. Each owner shall be responsible for maintaining his Lot in a neat, clean and sanitary condition, and such responsibility shall include the maintenance and care of all exterior surfaces of all improvements and other structures and all trees, shrubs, hedges, walkways, driveways and other landscaping consistent with the site plan and landscape plan approved by the ASC, unless said maintenance repair and replacement has been specifically delegated by the Association as provided in Section 9.02 herein.

Section 9.02. Responsibilities of the Association.

(a) The Association shall maintain and keep in good repair the Common Areas, such maintenance to be funded as hereinafter provided. This maintenance shall include, but need not be limited to, all landscaping and other flora, structures, any private streets, pedestrian pathways, access walkways, all stormwater management facilities (including without limitation, ponds, basins, storm drainage pipes, or oil grit separators, drainage areas and underground facilities, if any) and any recreational facilities which become available for use as determined by the Declarant whether or not title to such facilities has been conveyed to the Association. All costs associated with maintenance, repair and replacement of the Common Areas shall be a Common Expense to be allocated among all Owners as part of the Common Assessment.

Section 9.03. Compliance. The Association shall have the right but not the obligation to cure any maintenance deficiencies of an Owner (including but not limited to external care of windows, siding and roofing) in which event the Association shall give a "Notice of Maintenance" to the Owner setting forth those matters in need of repair and requesting the same be addressed and said repairs completed within thirty (30) days from the date of said notice. Upon timely written request by an Owner to the Secretary of the Association, the ASC shall give consideration to any reasonable request by the Owner for an extension to complete said repairs beyond thirty (30) days. In the event an Owner is in disagreement as to the need for repairs or corrections requested within the Notice of Maintenance, then the Owner has the right to request a hearing before a panel of three Members designated by the ASC provided the Owner delivers written notice for request of hearing to the Secretary of the Association no later than ten (10) days from the date the Owner received the Notice of Maintenance. Upon receipt of any request for hearing, the Secretary of the Association shall thereafter calendar a hearing not less than seven (7) days and no more than thirty (30) days before the ASC. Subject to procedures that may be established by the Association, any Owner may appeal the ASC's decision to the Board. The Board in its election may either calendar a further hearing or uphold, modify or reverse the decision of the three member panel of the ASC and said decision by the Board shall be final.

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Should an Owner fail to make those repairs as set forth within the Notice of Maintenance, then the Association or its delegate agent shall have the authority to enter upon the Owner's property to repair and restore the Lot and/or Dwelling Unit and if necessary, make exterior repairs. All costs together with interest at the maximum rate permitted by law, including reasonable attorney fees as allowed by the Act may be assessed against the Owner's property and collected as an Individual Assessment pursuant to Section 8.04.

## Article X EASEMENTS

Section 10.01. Easement Reserved by Declarant. Declarant, for so long as there is a Class B Membership, and then the Association, for itself, its successors and assigns, and its agents, contractors, and employees reserves a perpetual, alienable, and releasable easement on, over and under the Property (and including all Dwelling Units, Lots and Common Property) for installation, Maintenance, repair, replacement, use, operation and removal of utilities (including, without limitation, electric, natural gas, telephone and cable television) and related appurtenances and equipment (including without limitation, wires, poles, pipes, transformer boxes and conduits), stormwater and drainage facilities and soil and water impoundments. Provided, however, no easement hereby reserved shall be applicable to any portion of a Lot or Common Area used as building site or approved use as building site by the Architectural Control Committee. Full right of ingress and egress shall be had by Declarant at all times over the Lots and Dwelling Units or Common Areas (other than the portions thereof used or approved as building sites) for the installation, use, operation, than the portions thereof used or approved as building sites) for the installation, use, operation, Maintenance, repair, replacement or removal of any such utility, drainage facility or impoundment, together with the right to remove any obstruction that may be placed in any easement that would constitute interference with the use of such easement, or with the use, installation, Maintenance, repair, replacement, removal or operation of same. Assignees to whom Declarant reserves the right to passing and convey, in whole or in part, the easements reserved by it hereunder shall include, without limitation, the Association and one or more governmental entities or public utility companies. Provided, however, neither the foregoing reservation of easement rights nor any similar reservation of easement rights contained in this Declaration shall create or impose any obligation upon Declarant, or its successors and assigns, to provide or maintain any such utility, drainage facility or impoundment, which if not otherwise maintained, shall be maintained by the Association.

### Section 10.02. Easement Reserved for The Association.

(a) Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot or Dwelling Unit for the Maintenance and repair of each Lot or Dwelling Unit in accordance with the provisions hereof and for the carrying out by the Association of its rights, powers duties and obligations hereunder; provided that any such entry by the Association upon

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any Lot or Dwelling Unit shall be made with a minimum inconvenience to the Owner as reasonably practicable, and any damage caused as a result of the negligence of the Association's employees or agents shall be repaired by the Association at the expense of the Association.

(b) In addition to the foregoing, and in order to implement effective and adequate erosion control, the Association, and its contractors, employees and agents, shall have the right to enter upon any portion of any Lot or Dwelling Unit before and after Improvements have been constructed thereon for the purpose of performing any grading or landscaping work or constructing, repairing, replacing, using and maintaining erosion control devices; provided however, no such activities shall interfere with any permanent Improvements constructed on any such Lot or Dwelling Unit (which Improvements have been approved by the ASC). If the need for erosion control results from the construction of Improvements on any portion of an Lot or Dwelling Unit or any excavation, grading, removal, reduction, addition or clearing of any Lot or Dwelling Unit or portion thereof, the cost of any such work performed by the Association for the purpose of implementing effective and adequate erosion control shall be assessed against the Owners of Lot or Dwelling Unit on which such corrective action is necessary on a Lot or Dwelling Unit, prior to exercising its right to enter upon such Lot or Dwelling Unit and performing any grading or landscaping work or constructing or maintaining erosion prevention devices, the Association shall give the Owner of such Lot or Dwelling Unit written notice of and the opportunity to take the corrective action specified in the notice, the Association may then exercise its right to enter upon the Lot or Dwelling Unit and take or complete the necessary corrective action.

**Section 10.03. Easement Reserved for Governmental Entities and Public Utilities.** An easement is hereby established for applicable governmental entities and municipal, state or public utilities serving the Development and their agents and employees, over all Lots, Dwelling Units, Common Areas hereby or hereafter established (and approved if required), for the purpose of setting, removing, repairing, maintaining and reading utility meters, maintaining, repairing and replacing streets, utilities, utility or drainage connections, and acting for other purposes consistent with the public safety and welfare, including without limitation, police and fire protection, garbage collection, and mail delivery, the rights granted by such easements to be exercised in a reasonable manner and at reasonable times (except in the case of an emergency).

**Section 10.04. Easements Shown on Recorded Maps.** Declarant, for itself, its successors and assigns (including, without limitation, governmental entities and the Association), and in addition to those easements reserved in this Declaration, hereby reserves easements in the locations and for the purposes shown and indicated on all maps of Lots or Dwelling Units subject to this Declaration that are recorded in the Dare County, North Carolina Registry, and for the purpose of exercising and implementing such easement rights, Declarant and the Association shall have the right of ingress, egress and regress over and upon those easement areas. The rights reserved by this Section 10.04 include, without limitation, the right to construct, alter, place, maintain, repair replace and use in the easement areas identified on such maps, all Improvements

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deemed necessary, in the reasonable discretion of the Declarant or the Association, for the full exercise of such easement.

Section 10.05. Entrance Monuments. Declarant has the right but not the obligation to install an entrance monument and related improvements ("Entrance Monument") on any Lot which is specified as a Lot upon which an Entrance Monument may be established in any Supplemental Declaration which is filed in the Dare County Public Registry. Declarant hereby reserves for the benefit of Declarant and grants to the Association an easement over, under and across such Lot(s) for the installation and maintenance of such Entrance Monument.

Section 10.06. Encroachment Easements for Improvements Constructed by Declarant. Declarant does hereby grant, declare, and establish easements over all Lots for the encroachment of improvements now or hereafter constructed by the Declarant on adjacent Lots, Common Area or rights-of-way to the extent that such improvements actually encroach, including, but not limited to, such items as sidewalks, provided such encroachment does not interfere with the reasonable use of the Lots so encroached upon.

Article XI  
Party Walls, Party Fences, Joint Driveways And  
Shared Improvements

Section 11.01. General Rules of Law to Apply. Each improvement which is constructed within Dwelling Units as a part of the original construction and any part of which is placed on the dividing line between separate Dwelling Units shall constitute a "Shared Improvement." With respect to such Shared Improvement, each of the adjoining Owners shall assume the burdens of and be subject to an easement for that portion of the Shared Improvement on such Owner's Dwelling Unit, and shall be entitled to the benefits of this Article XI. To the extent not inconsistent herewith, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions, shall apply to Shared Improvements and their adjoining Owners.

Section 11.02. Sharing of Repair and Maintenance and Destruction by Fire or Other Casualty. All Owners who make use of or benefit by any Shared Improvement on a regular basis shall share the cost of the reasonable repair and maintenance of such Shared Improvement, in equal proportions, unless otherwise agreed by such Owners. If a Shared Improvement is damaged or destroyed by fire or other casualty or by some cause other than the act of one of the adjoining Owners (including ordinary wear and tear and deterioration from lapse of time), then, in such event, all such adjoining Owners benefiting from the Shared Improvement shall proceed forthwith to rebuild or repair such Shared Improvement to its original condition or the condition which existed immediately prior to the damage, unless otherwise agreed by such Owners. The costs

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associated with rebuilding or repairing a Shared Improvement pursuant to Section 11.01 shall be shared equally among all adjoining Owners benefiting from the Shared Improvement, unless otherwise agreed by such Owners.

Section 11.03. Repairs of Damage Caused by One Owner and/or Resident. If any such Shared Improvement is damaged or destroyed through the act of one adjoining Owner and/or resident, so as to deprive the other adjoining Owner and/or resident of the full use and enjoyment of such Shared Improvement, then the Owner and/or resident responsible for such damage shall proceed forthwith to rebuild or repair such Shared Improvement to its original condition or the condition which existed immediately prior to the damage, without cost to the adjoining Owner and/or resident.

Section 11.04. Changes to Shared Improvements. In addition to meeting the other requirements of this Declaration, and of any building code, zoning ordinance or similar governmental regulations or ordinances, any Owner proposing to modify, make additions to or rebuild a Dwelling Unit in any manner which requires the extension or other alteration of any Shared Improvement, shall first obtain the written consent of the adjoining Owner. Such consent shall not be unreasonably withheld, delayed or denied.

Section 11.05. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 11.06. Driveway Right of Passage. With respect to any private driveway within and shared by the Owners of two or more Dwelling Units, there shall be a perpetual and non-exclusive easement and right of passage on, through, over, under and across such driveway reserved to and for the benefit of the Owners of the Dwelling Units upon which the joint driveway has been built or installed. This easement shall also be reserved to and for the benefit of any Dwelling Units which such joint driveway has reasonably been designed to serve or benefit, for purposes of vehicular and pedestrian ingress and egress to and from such Dwelling Units. No person shall in any way interfere with the free and unobstructed use thereof by said owners.

Section 11.07. Dispute. In the event of a dispute between Owners with respect to the repair or rebuilding of a Shared Improvement or with respect to the sharing of the cost thereof, then, upon written request of one of such Owners addressed to the Association, the Association shall address the matter and in the event the matter is not resolved by the Association, then the matter may be submitted to the Association who will conduct a hearing pursuant to the notice provisions of Section 7.14(b) which decision shall be final.

ARTICLE XII  
INSURANCE: REPAIR AND RESTORATION

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Section 12.01. Right to Purchase Insurance. The Association shall purchase, carry and maintain in force insurance covering any part or all of the Common Area, Landscaped Rights-of-Way and any improvements thereon or appurtenant thereto and any other property of the Association, for the interest of the Association, the Board, its agents and employees. Declarant and its officers and employees, and of all Members of the Association, in such amounts and with such endorsements and coverage as the Board shall consider to be good, sound insurance coverage for similar properties. Such insurance may include, but need not be limited to:

- (a) comprehensive public liability and property damage (hazard) insurance on a broad form basis with respect to the Common Area and/or Landscaped Rights-of-Way with coverage of at least One Million and No/100 Dollars (\$1,000,000.00) for public liability and in an amount of at least eighty percent (80%) of replacement cost coverage for hazard insurance;
  - (b) coverage for the personal liability (if any) of the Declarant (and its officers, agents, employees and servants), the Board (and the individual members thereof), the officers of the Association, the ASC and other committees appointed by the Board, the Owners and Members;
  - (c) Fidelity bond for all officers and employees of the Association and other Persons having control over the receipt of disbursement of Association funds; and
- Worker's compensation insurance to the extent necessary to comply with all applicable laws.

Section 12.02. Insurance Proceeds. Subject to any limitations imposed by any applicable financing documents, the Association shall use the net proceeds of casualty insurance recovered to repair and/or replace any damage or destruction of property, real or personal, covered by such insurance. Any balance from the proceeds of casualty insurance paid to the Association remaining after satisfactory completion of repair and replacement shall be retained by the Association as part of the general reserve fund for repair and replacement of the Common Area and/or Landscaped Rights-of-Way.

Section 12.03. Insufficient Proceeds. If the insurance proceeds are insufficient to repair or replace any loss or damage, the Association may levy a special assessment in the manner provided for in this Declaration, to cover the deficiency.

ARTICLE XIII  
Miscellaneous Provisions

Section 13.01. Duration. This Declaration and the terms, covenants, provisions set forth herein shall run with and bind the Property and shall inure to the benefit of every Owner of a Lot in the Property, including Declarant, and their respective heirs, successors, and assigns, for a term beginning on the date this Declaration is recorded and including December 31, 2034.

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Beginning on and including January 1, 2035, the easements, covenants, conditions and restrictions herein shall be automatically extended for successive period(s) of ten (10) years each unless, at duly called annual or special meeting of the Association at which a quorum is present held prior to the expiration of the applicable time period, termination of this Declaration is approved by the affirmative vote of seventy-five percent (75%) or more of the votes entitled to be cast by the Members present or represented by proxy. A vote by the membership on termination of this Declaration may be held only upon presentation to the Association of a petition for termination signed by Members possessing no less than twenty-five percent (25%) of the total eligible vote of the membership of the Association, which petition, in the case of an annual meeting of the Association, shall be presented to the Association prior to the date that notice of the annual meeting is sent to the Members. The Association shall give written notice of any annual or special meeting, at which termination of this Declaration is to be considered and voted upon to all Owners at least thirty (30) days in advance of the date of such meeting, which notice shall set forth that termination of this Declaration will be considered and voted upon at such meeting. If the membership votes to terminate this Declaration, such termination shall be effective upon the expiration of the then applicable time period for which the Declaration is in existence, or shall be effective on such date thereafter as may be specified in the resolution of termination passed by the membership as required herein (it being the intention of this Section, notwithstanding anything to the contrary appearing herein, that if the membership has voted to terminate this Declaration, the membership may set a date of termination that may result in this Declaration continuing to be in effect for a period of less than ten (10) ears following the expiration of a preceding time period in which this Declaration was in effect). The quorum required at the annual or special meeting at which termination of this Declaration is to be considered by the membership pursuant to the petition filed with the Association shall be the presence of Members plus proxies entitled to cast sixty percent (60%) or more of the total vote of the membership. If such quorum is not present, subsequent meeting(s) may be called until a quorum is present, subject to the same notice requirements, and the required quorum at such subsequent meeting(s) shall be one-half (1/2) of the required quorum at the immediately preceding meeting.

If the Members vote to terminate this Declaration in accordance with the foregoing requirements, then the President and Secretary of the Association shall execute in recordable form a certificate which shall set forth at least the following information: the Resolution of Termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting, was given, the total number of votes required to constitute a quorum at such meeting; the total number of votes present at such, meeting; the total number of votes necessary to adopt the resolution terminating the Declaration; the total number of votes cast in favor of such resolution; and the total number of votes cast against the resolution. Such certificate shall be recorded in the Dare County, North Carolina Registry no later than thirty (30) days following the date such resolution of termination is passed by the membership, and such certificate may be relied upon for the correctness of the facts contained therein as they relate to the

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termination of this Declaration.

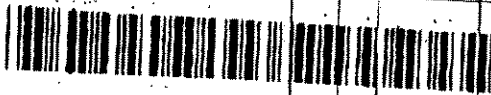
Section 13.02. Amendment. Subject to the limitations hereinafter contained, this Declaration or any Supplemental Declaration hereto may be amended or modified at any time prior to December 31, 2034 by an instrument signed by the Owners entitled to exercise not less than seventy five (75%) of the total votes in the Association as set forth in this Declaration, provided, however, that no such amendment shall be effective without the written consent of Declarant so long as there is Class B Membership, and in no event shall any amendment limit the rights of Declarant under this Declaration so long as there is a Class B Membership. With respect to any amendments affecting specific Limited Common Property, the foregoing percentages are required only of those Owners of Lots or Dwelling Units that are located in the chase or section of the Development to which such Limited Common Area relates.

In addition to the foregoing rights, and notwithstanding anything to the contrary that may appear herein. Declarant may (at Declarant's option) at any time and from time to time amend or modify this Declaration and any Supplemental Declaration without obtaining the consent or approval of the Members or any other person or entity if such amendment or modification is necessary for any one or more of the following purposes, to correct an obvious typographical error; to cause this Declaration or any such Supplemental Declaration to comply with the requirements of FHA (Federal Housing Administration), VA (Veterans Administration), Fannie - Mae (Federal National Mortgage Administration), Office Of Interstate Land Sales Registration of the Department Of Housing And Urban Development (OILSR) or other similar agency; or as may be necessary to establish or maintain the tax exempt status of the Association under the laws of the United States or the State of North Carolina.

All amendments to this Declaration must be recorded in the Dare County, North Carolina Registry and shall not become effective until recorded. With respect to amendments that require approval of the Owners, all such amendments also shall be executed by the Association, following determination by the Board that the amendment has been duly approved by the required percentage of Owners (for the purpose of this determination, the Board may rely on its most current membership list and shall not be required to conduct any title examination of any Lot to determine ownership thereof). The Board shall make its determination (and cause the amendment s) to be recorded if the Board determines that the required number of Owners have executed the amendment(s) within thirty (30) days of receipt of the proposed amendment(s) purportedly signed by the required number of Owners. If the Board determines that the required number of Owners have executed the proposed amendment(s), the Board shall cause the amendment(s) to be recorded.

With respect to amendments by the Declarant which do not require the assent of the Owners, the Association also shall execute such amendments prior to the recordation thereof so

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that such amendments may be indexed in the Dare County Registry in the name of the Association as well as in the name of the Declarant.

Section 13.03. Remedies. Declarant, the Association, and every Owner shall have the right to enforce the terms, covenants, conditions, restrictions, easements, charges and liens for which provision is made in this Declaration, which enforcement shall be by any proceeding at law or in equity (or otherwise, as provided in this Declaration) against any Person violating or attempting to violate any such term, covenant, condition, restriction, easement, charge or lien either to restrain violation or to recover damages, and against the land, to enforce any lien created by these covenants; and failure by the Association, Declarant or any Owner to enforce any such term, covenant, condition, restriction, easement, charges or lien shall in no event be deemed a waiver of the right to do so thereafter or a waiver of any other or future violation of any of same.

Section 13.04. Severability of Provisions. If any paragraph, section, sentence, clause or phrase of this Declaration shall be or become illegal, null or void for any reason or shall be held by any court of competent jurisdiction to be illegal, null or void, the remaining paragraphs, sections, sentences, clauses and phrases of this Declaration shall continue in full force and effect and shall not be affected thereby. It is hereby declared that said remaining paragraphs, sections, sentences, clauses and phrases would have been and are imposed irrespective of the fact that any one or more other paragraphs, sections, sentences, clauses or phrases shall become or be illegal, null or void.

Section 13.05. Notice. Except as otherwise provided herein, whenever written notice to an Owner (including Declarant) is required hereunder, such notice shall be given by the mailing of same, postage prepaid, to the address of such Owner appearing on the records of the Association. If notice is given in such manner, such notice shall be conclusively deemed to have been given by placing same in the United States mail properly addressed, with postage prepaid, whether received by the addressee or not. It shall be the duty of each Owner to keep the Association informed of such Owner's current mailing address and telephone number. The Association may use the address of such Owner's Lot listed with the Dare County Tax Office.

Section 13.06. Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant or Board, will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive.

Section 13.07. No Trespass. Whenever the Association, Declarant, the ASC, and their respective successors, assigns, agents or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve or do any other action within any portion of First Flight Ridge, the entering thereon and the taking of such action shall not be deemed to be trespass.

Section 13.08. Successors of the Declarant. Any and all rights, reservations, easements,



interests, exemptions, privileges and powers of the Declarant hereunder, or any part of them, may be assigned and transferred (exclusively or non-exclusively) by the Declarant by instrument in writing and recorded in the Dare County Registry.

Section 13.09. No Partition. Except as is permitted in the Declaration or amendments thereto, there shall be no judicial partition of the Common Areas or any part thereof, nor shall any Person acquiring any interest in the Property or any part thereof seek any judicial partition unless the Property or such portion thereof have been removed from the provisions of this Declaration. This Article shall not be construed to prohibit the Association from acquiring and disposing of tangible personal property nor from acquiring title to real property which may nor may not be subject to this Declaration.

Section 13.10. Combination of Lots. For so long as there is a Class B Membership, no Lot shall be subdivided without the written consent of Declarant. One or more Lots may be combined into a single Lot with the written consent of Declarant and, upon such combination and consent of Declarant, the resulting Lot shall be considered as one Lot for the purposes of this Declaration. Provided, the foregoing shall not prohibit or restrict the right (which is hereby reserved) of Declarant to subdivide, combine, re-subdivide, recombine, or re-record maps relating to, any Lots subject to this Declaration.

Section 13.11. Laws of North Carolina and the United States. This Declaration shall be subject to and construed in accordance with the laws of the State of North Carolina and all applicable laws and regulations of the United States of America.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has caused this Declaration to be signed in its company name the day and year below acknowledged.

**DECLARANT:**

First Flight Ridge, LLC

By: R & E Developments, LLC, a North Carolina Limited Liability Company (Manager)

By:   
Raju Uppalapati, Manager

(SEAL)

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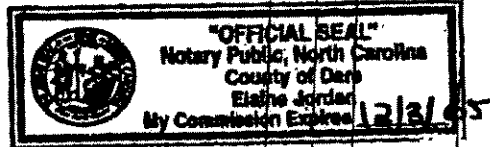
STATE OF NORTH CAROLINA  
DARE COUNTY

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that Raju Uppalapati, manager of R & E Developments, LLC, a North Carolina limited liability company (the "Second Company") manager of First Flight Ridge, LLC (the "Company") and that by authority duly given and (a) as the act of the Second Company and (b) as the act of the Company, the foregoing instrument was signed in the name of the Company and in the name of the Second Company by the Second Company's manager.

Witness my hand and official stamp or seal, this 24<sup>th</sup> day of June, 2004.

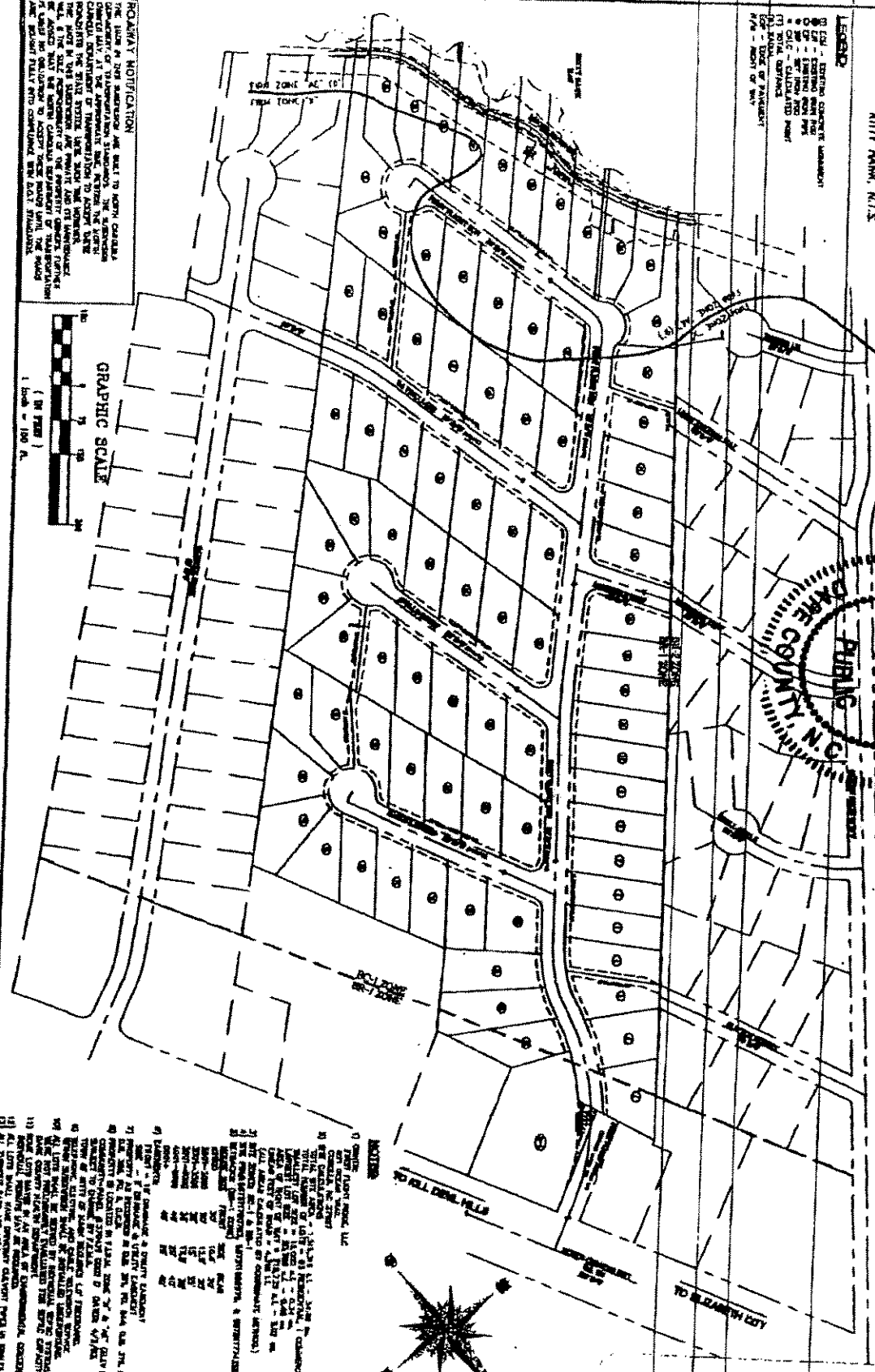
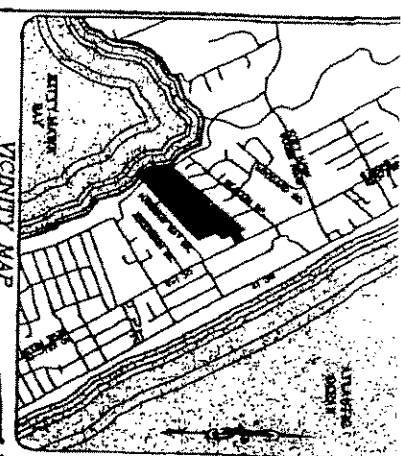
Elaine Jordan  
Notary Public

My commission expires: 12/3/05

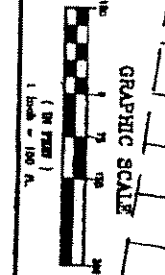


6/23/04

THIS MAP IS NOT A CERTIFIED SURVEY AND HAS NOT BEEN REVIEWED BY A LOCAL GOVERNMENT AGENCY FOR COMPLIANCE WITH ANY APPLICABLE LAND DEVELOPMENT REGULATIONS.



**NOA WAY NOTIFICATION**  
 THE STATE OF NORTH CAROLINA HAS BEEN ADVISED BY THE ENGINEER THAT THE PROPOSED DEVELOPMENT IS IN ACCORDANCE WITH THE ZONING ORDINANCE OF THE TOWN OF KITTY HAWK, NORTH CAROLINA. THE ENGINEER HAS REVIEWED THE DEVELOPMENT AND HAS DETERMINED THAT IT IS IN ACCORDANCE WITH THE ZONING ORDINANCE. THE ENGINEER HAS REVIEWED THE DEVELOPMENT AND HAS DETERMINED THAT IT IS IN ACCORDANCE WITH THE ZONING ORDINANCE. THE ENGINEER HAS REVIEWED THE DEVELOPMENT AND HAS DETERMINED THAT IT IS IN ACCORDANCE WITH THE ZONING ORDINANCE.



- NOTES:**
1. THIS PLAN IS THE PROPERTY OF THE ENGINEER AND IS NOT TO BE REPRODUCED OR COPIED WITHOUT HIS WRITTEN CONSENT.
  2. THE ENGINEER HAS REVIEWED THE DEVELOPMENT AND HAS DETERMINED THAT IT IS IN ACCORDANCE WITH THE ZONING ORDINANCE.
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**ALL-STATE LEGAL EXHIBIT A**

**PROFESSIONAL SEAL**

**REGISTERED PROFESSIONAL ENGINEER**

**STATE OF NORTH CAROLINA**

**6138864**

**FIRST FLIGHT RIDGE**

**TOWN OF KITTY HAWK**

**ATLANTIC TWP. BARE COUNTY NORTH CAROLINA**

**FINAL PLAN**

**REVISIONS**

NO.	DATE	DESCRIPTION
1		
2		
3		
4		

**Coastal**

**ENGINEERING & SURVEYING, INC.**

934 W. Kitty Hawk Rd.  
 P.O. Box 1129  
 Kitty Hawk, N.C. 2794  
 (252) 261-4151

Civil - Structural  
 Site Development

## Architectural Guidelines for Single Family Homesites First Flight Ridge Homeowners Association, Inc.

It is the intent of these Guidelines to help in the planning, construction and maintenance of your home in First Flight Ridge.

**Architecture:** This community has been designed to pay homage to the Coastal Carolina Style of architecture, which includes the Old Nag's Head and related Federal Lifesaving Station Style. In addition, the Architectural Review Board is interested in the broader Coastal Carolina architecture, to include what is known in the vernacular as Low Country Style. The American Arts and Crafts Style of Shingle Houses from the early 1900's are of interest as well.

The First Flight Ridge Homeowners Association, Inc., (the "Association") has appointed an Architectural Standards Committee (the "Committee"), empowered by Article Six of the Declaration of Covenants, Conditions and Restrictions, to review all construction, reconstruction/modification and/or landscape plans. The Architectural Standard Committee members are Mr. Eric Avery, Mr. Gian Hasbrock and Mr. Philip Lee. Certain requirements are to be met prior to construction within First Flight Ridge.

*No earth-moving, clearing, site work or construction will be commenced without first obtaining approval from the Committee.* The Owner of the Homesite must stake the outside perimeter of the dwelling prior to requesting approval, so that a member of the Committee may make a site visit to evaluate placement of the Homesite, and to assess conservation measures.

The Committee may bar any proposed new construction or changes to existing homes on purely aesthetic grounds, where in its sole judgment, such action is required to maintain First Flight Ridge's standard of architectural excellence in exterior materials and design.

To the greatest extent possible, we shall strive to preserve the natural characteristics of the land, and to honor the indigenous plant and animal life.

### Architectural Style Discussion:

- **Nag's Head and Lifesaving Station:** Typically feature wraparound porches with wide overhangs, ship's watch, tower room, multi-tiered roofs, often with dormers, and scrollwork at gable ends. Cedar shake, often mixed with fish scale or triangular shakes for accent, as well as board-and-batten. Simple drop-down window shutters.
- **Low Country:** Usually incorporate a walk-out basement, where the kitchen and dining areas historically would have been housed. Full covered porches across the front and rear of the house at all but ground level.

- American Arts and Crafts Movement: Recessed porches and entryways, roofs with wide overhangs and exposed structural elements, such as rafter tails and vertical pillars. Interior use of built-ins and exposed timber frames. A close cousin of the Shingle House movement in the Northeastern United States.

**Appearance:** Because of the winding character of First Flight Ridge roads and intersections, houses must be aesthetically pleasing to all views. Especially critical on corner Homesites. Color palette based on multiple shades of earth tones and white.

**Exterior Wall covering:** Natural wood materials are encouraged. Preservative stains in clear or subtle earth-tone shades are required. Cedar shakes and Hardi-Plank are the preferred siding material. Vinyl or aluminum siding will not be allowed.

**Structural Features:** All Exterior walls should be 2" x 6" construction. Exterior deck joist should be 2" x 8" minimum. No O.S.B. sheathing for exterior walls or roof sheathing.

**Exterior Trim:** Cedar trim to be supreme clear grade. All exposed finishes, including pressure- or salt-treated wood, to be painted as part of the house schedule, except for stair treads and decking. Pilings at ground level to be covered with wood lattice of checker-board pattern. Pilings that cannot be covered with lattice, to be finish grade, chamfered, trimmed with decorative wood, brick, or natural stone. Gable-end treatments important. Use of rake board and frieze board encouraged.

**Windows:** Wood frame, vinyl-clad windows. White finish preferred. Baked-on finishes or extruded aluminum by Andersen, Pella, and Marvin will be considered. Lower quality, all-vinyl frames will not be approved. Windows and doors shall have a one-by-six-inch minimum surround casing.

**Entry:** Entry from driveway and garage or carport required. Under-roof main entry portico of proper scale. Exterior entry door to be wood or fiberglass of solid or six-panel design. Main entry door may not be metal or sliding glass. Sliding glass doors may be used on the front elevation; however, if located on the ground floor of the front elevation, they must be shielded from view from the street.

**Roofing:** Gables and hips with minimum 6/12 slopes, except as incidental to primary design. Fascia boards to be constructed of wood and painted. Soffits are preferred to be built of wood or Hardi-Plank only. Fire retardant wood shakes or composition / fiberglass architectural shingle only (*composition / fiberglass shingle must have a 10 year, 110 mile per hour wind warranty, 40 year minimum*), slate or tile. Roof colors complementary to house plan. Roof colors of red, green, yellow and gold not likely to be approved. No metal chimneys. **Roof stacks, skylights, plumbing vents and solar panels to be placed on rear slopes and painted black or color of shingles.** No Truss roofs are allowed.

**Porches:** Open or screened, be sure that proportions balance with floor below. No cross-bracing on exposed decks. Joist bands painted. Pickets to be nailed to rails from behind.

**Patios, Terraces, pool decks and other ground level decking:** Only in-ground pools are allowed in First Flight Ridge. Pools and hot tubs are not to be visible from the street at an observation point at the center of the home. Pool plans to show placement, details of fencing and landscaping. Planting areas to be provided inside the pool enclosure. Outdoor sound systems to be limited, to avoid disturbances.

**Lighting:** Restrained and subtle. Ground-level lighting is to be confined to covered fixtures mounted not more than 24 inches above grade. Porch and deck lighting also covered and subdued. **No floodlights or spotlights permitted.** Use fixtures that will not discolor from weather.

**Parking:** To meet Town of Kitty Hawk zoning requirements and location must be approved by the Architectural Standards Committee.

**Landscaping:** Stabilization of the soil is our highest priority. Use of "Outer Banks Blend" seed is recommended. Natural plant materials to be disturbed as little as possible and restored if disturbed. A landscaping plan, using native plant materials and other proven salt-tolerant decorative species is required. **Planted berms with irrigation systems required.** Low-cost "drip" systems on timers will be considered. Landscaping plan must be submitted for approval prior to the start of clearing homesite.

**Septic System:** If occupancy of more than 12 is being applied for on any given lot, a low pressure septic system may be required to be used in order to limit the impact to the natural vegetation caused by excessive clearing of the lot.

**As a part of the building process, Owners should be aware of the following requirements, among others, for which they alone are responsible:**

1. Preparation of Application and Plans in compliance with First Flight Ridge Architectural Control Committee Guidelines and the Declaration of Covenants, Conditions and Restrictions for First Flight Ridge.
2. Compliance with all laws, codes, and local ordinances.
3. Determination of environmental restrictions, drainage, grading and surface disturbance requirements and all surface and subsurface soil conditions.



4. Determination of the structural, mechanical and electrical integrity of the house, along with all other technical aspects of the proposed design that can only be determined by competent architects, engineers, contractors, and other similar professionals.
5. Determination of accuracy of all stakeouts and surveys.

**Other considerations:** Applicants should select building sites and home plans so as not to construct repetitious designs within close proximity. Similar designs or design duplications are discouraged and are subject to disapproval without sufficient variations in exterior colors, materials, finish, trim and detailing.

All work will be done during the hours of 7 a.m. to 7 p.m. The use of drugs or alcohol or playing of loud music is strictly prohibited on any construction site. Unleashed dogs are not permitted. The Owner is responsible to see that the contractor cleans up the site of day-to-day litter **each day** and to see that particular care is taken to prevent any unnecessary damage to existing vegetation. The Declaration of Covenants, Conditions and Restrictions require job site debris to be removed from the Homesite at least weekly.

Until further notice, Plans and other materials for Committee review shall be delivered during normal working hours to the office of First Flight Ridge, LLC, 821 Ocean Trail, Suite 4, Corolla, NC 27927. A non-refundable application fee of five hundred dollars (\$500.00) shall accompany the application, along with a two thousand dollar (\$2,000.00) refundable Infrastructure Protection Fee. To arrange a pre-application or application meeting, phone Mr. Eric Avery, First Flight Ridge, LLC, at (252) 453-3600, or mail plans to First Flight Ridge, LLC, 821 Ocean Trail, Suite 4, Corolla, NC 27927.

In order to make a submission of house plans for Committee approval, the Committee requires that the following be submitted or completed:

1. Building Application and Client/Builder Registration Form showing landowner's and contractor's complete name and address, including phone number and e-mail address, and any other information as required, including, but not limited to, the names and telephone numbers of two (2) Owners of comparable properties previously constructed by such Contractor, and a minimum of two (2) financial references for the Contractor.
2. Three sets of the plans, of architectural quality, sealed by a North Carolina licensed architect or structural engineer to include the following sheets at a minimum:
  - 1/4" scale foundation plan & section, with full framing detail
  - 1/4" scale floor plans of all interior & exterior areas
  - 1/4" scale east, west, north and south elevation drawings
  - enlarged details of any exterior items not clearly presentable at plan scale

3. Legal survey of Homesite and a site plan showing the building setbacks, driveway with turnaround area, septic and lot coverage calculations and any other key features.
4. Landscape plan showing all aspects of planned site work, stabilization, re-stabilization, patios, terraces, lighting, decorative plantings, irrigation systems and any other proposed improvements.
5. Specifications on building plans, to include building dimensions and square footage, detailed specifications of all materials used in construction and finishing and colors of stain to be used on exterior surfaces, foundations, windows, doors and trim. Samples of paint and roofing material must be included. Cottage signs will be permitted in size and character appropriate to the house, and must be of sandblasted wood construction, professionally rendered.
6. Specifications for fences, driveway surface treatments, bulkheads, screening structures for heating and air conditioning units, gas or propane storage tanks, Dare County-approved trash receptacles and details of any other exterior improvement or appendage. Trash receptacles must be accessible from outside the house, for potential private pickup. Fence height shall not exceed 60", and should be constructed with materials and finishes that are complementary to the siding on the house.
7. Note that mirror image, reversed, or marked-up plans with penciled-in changes will not be accepted.
8. Prior to delivery of plans, a registered surveyor must stake the corners of the proposed residence on the lot.
9. A non-refundable \$500.00 application fee to accompany submission package.
10. A refundable \$2,000.00 infrastructure protection fee to accompany submission package, for the purpose of repairing any damage to common properties such as curbs, sidewalks, light poles, fire hydrants, fences, etc. After receiving an Occupancy Permit, Owner / Agent is to send a request for site inspection. If approved, payment will be returned within 30 days.

**After the Plans are approved:** Two sets will be returned, marked approved by the Committee, allowing the applicant to apply for necessary construction permits. The Committee will hold one set of approved Plans in its permanent files. If the Plans are not approved, all sets will be returned to the applicant with a letter indicating the reason or reasons for non-approval. If approval with conditions is granted, and construction then begins, the conditions shall be deemed accepted by the Owner and the conditions imposed shall become fully a part of the approved plans.

**For convenience, some key points of the Declaration of Covenants, Conditions and Restrictions:** Pertinent dwelling design and construction procedures are considered below. (This summary is not intended to supersede or substitute for the recorded Declaration.) A complete copy of the Declaration and the Bylaws may be obtained from First Flight Ridge, LLC, 821 Ocean Trail, Suite 4, Corolla, NC 27927.

1. **DECLARANT:** The owner of the real property: First Flight Ridge, LLC, a North Carolina Limited Liability Company.
2. **PURPOSE:** It is the purpose of the Declaration to provide for the careful and tasteful development of, and to ensure the highest standards for, the First Flight Ridge community, as well as to provide for the maintenance of the common facilities, road, etc.
3. **RESIDENTIAL USE:** Homesites may be used only for single-family residential purposes. No unit of ownership or ownership interest may be subdivided to permit "Time Sharing," and no lot may be re-subdivided unless the two parts are to be recombined with the adjacent lots.
4. **ARCHITECTURAL CONTROL:** The Declarant or the designated Architectural Standards Committee shall approve any and all plans for dwellings, fences, walls, driveways, landscaping or other improvements and exterior additions or alterations to existing dwellings, including clearing and site work on the property before any work whatsoever is commenced on any Homesite.
5. **SPECIFICATIONS:**
  - a. Maximum building height per Dare County / Town of Kitty Hawk zoning ordinance, but subject to further limitations by the Committee.
  - b. Building locations – Declarant may adjust site location of the dwelling to protect natural aspects of the site. However, minimum setbacks are to be based on Dare County / Town Kitty Hawk zoning ordinance.  
Note: Setbacks shown on any recorded plat shall control.
  - c. Minimum Size- Each dwelling shall contain minimum square feet of heated and air-conditioned living area of 1,800 square feet.
  - d. Vegetation – Trees measuring three inches or more in diameter at a point two feet above ground level, and any flowering trees or shrubs above five feet in height may not be removed from any Homesite without written approval from the Architectural Control Committee, unless located within the dwelling footprint, within 10 feet of a dwelling, or in the path of a

driveway or walkway.

- e. Certificate of Completion: Prior to occupancy of any Dwelling Unit, the Owner must first notify the Architectural Control Committee, by way of filing the requisite Certificate of Compliance with the Committee, in order that an inspection may be made by a representative of the Committee to see that all aspects of the Plans have been completed. On inspection and finding that all aspects of the Plans have been completed, the Committee will issue to the Owner a "Certificate of Completion" and the Owner may then occupy the Dwelling, subject to Town of Kitty Hawk approval.

Please take the time to become familiar with these Guidelines, the Declaration and the Bylaws. If you have any questions whatsoever about any of the items mentioned herein, please contact Mr. Eric Avery at (252) 453-3600.

***This is a condensation of the Declaration of Covenants, Conditions and Restrictions. Please read the document in its entirety.***

**First Flight Ridge ARB Plan Submission**  
**REQUIRED DOCUMENTS CHECKLIST**

Owner's Name: \_\_\_\_\_

Lot #: \_\_\_\_\_

Property Address: \_\_\_\_\_

**Document Description**

\_\_\_\_ Owner's and Builder's Plan Submission Sheets

\_\_\_\_ Application Fee

\_\_\_\_ Site Survey/Site Plan (Scale at 1" = 30')

\_\_\_\_ Construction Drawings with a stamp or seal: Scale at 1/4" = 1"  
Plan views - all levels  
Roof  
Elevations  
Details

\_\_\_\_ Specification Schedule

\_\_\_\_ Summary of Areas (by floor level)

\_\_\_\_ Deck/porch as a Percentage of Living Area

\_\_\_\_ Percentage of Lot Coverage Calculations

\_\_\_\_ Landscape Plan

\_\_\_\_ Exterior Color Plan

\_\_\_\_ Parking Plan

\_\_\_\_ Roofing Material Specifications

\_\_\_\_ Foundation, piling & lattice:  
Materials  
Exterior treatment

\_\_\_\_ Exterior Wall Materials

\_\_\_\_ Three complete copies of documents as required.

\_\_\_\_ Check in the amount of \$500.00 (Non-refundable) Made out to: First Flight Ridge

\_\_\_\_ Check in the amount of \$2,000.00 (Refundable) Made out to: First Flight Ridge Homeowner's Association

**FIRST FLIGHT RIDGE  
ARCHITECTURAL STANDARDS COMMITTEE  
821 OCEAN TRAIL  
COROLLA, NC 27927  
Phone: 252-453-3600  
Fax: 252-453-3922**

**OWNER'S AND BUILDER'S PLAN SUBMISSION**

1. Date plans submitted: \_\_\_\_\_ Lot #: \_\_\_\_\_
2. Street address: \_\_\_\_\_
3. Owner: \_\_\_\_\_
4. Address: \_\_\_\_\_
5. Phone: (Home) \_\_\_\_\_ (Work) \_\_\_\_\_ (E-mail) \_\_\_\_\_
6. Builder: \_\_\_\_\_
7. Address: \_\_\_\_\_
8. Phone: (Work) \_\_\_\_\_ (Fax) \_\_\_\_\_ (E-mail) \_\_\_\_\_
9. Job Site Foreman: \_\_\_\_\_
10. Phone: (Work) \_\_\_\_\_ (Fax) \_\_\_\_\_ (E-mail) \_\_\_\_\_
11. Work to begin: \_\_\_\_\_
12. Work to be completed: \_\_\_\_\_

I hereby certify that the information given herewith and the attached plans, survey and color samples are a correct and accurate description of the construction planned on the above mentioned lot and that I will comply with the Committee's Procedures and Policies and will comply with them in the design and construction of this project.

\_\_\_\_\_  
Signature of Builder and/or Owner

**SPECIFICATIONS**

1. Height of House: \_\_\_\_\_
2. Building Setbacks: Front Yard: \_\_\_\_\_  
Rear Yard: \_\_\_\_\_  
Side Yard: \_\_\_\_\_

Side Yard: \_\_\_\_\_

3. Foundation Materials and Treatment: \_\_\_\_\_

\_\_\_\_\_

4. Pilings and Lattice: Materials, Specifications and Exterior Treatment:

\_\_\_\_\_

5. Exterior Wall Material: \_\_\_\_\_

6. Window, Skylights and Door: \_\_\_\_\_

7. Roof Pitch: \_\_\_\_\_

8. Greenhouses: \_\_\_\_\_

9. Decks and Exterior Stair Materials: \_\_\_\_\_

\_\_\_\_\_

10. House numbers: Size, Type and Color: \_\_\_\_\_

11. Exterior Lighting: \_\_\_\_\_

12. Roof Material Specifications and Color: \_\_\_\_\_

\_\_\_\_\_

## CALCULATIONS

A. Deck/Porch area as a Percentage of Living Area:

1. Total square footage of decks/porches: \_\_\_\_\_

2. Total living area: \_\_\_\_\_

2. Percentage of lot coverage with impervious surfaces (including, without limitation, structures and paved surfaces such as walkways, patios and driveways):

1. Total lot area: \_\_\_\_\_ sq. Ft.

2. Lot coverage:

House and decks \_\_\_\_\_

Driveways and parking spaces \_\_\_\_\_

Pool deck \_\_\_\_\_

Walkways and patios, etc \_\_\_\_\_

Other (list) \_\_\_\_\_

Total \_\_\_\_\_

3. Percent Coverage = \_\_\_\_\_



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Prepared by and return to:  
Daniel D. Khoury, Esq.  
Vandevanter Black LLP  
Post Office Box 1042  
Kitty Hawk, NC 27949

Filed Book: 1584 Page: 304 Doc Id: 6144669  
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Doc Code: DEED  
BARBARA M GRAY, REGISTER OF DEEDS DARE CO, NC

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
FIRST FLIGHT RIDGE**

THIS FIRST AMENDMENT to that Declaration of Covenants, Conditions and Restrictions for First Flight Ridge made this 20<sup>th</sup> day of August, 2004 by First Flight Ridge, LLC, a North Carolina limited liability company, (hereinafter referred to as the "Declarant") of 821 Ocean Trail, Suite 4, Corolla, NC 27927.

**RECITALS**

A. Declarant filed that Declaration of Covenants, Conditions and Restrictions for First Flight Ridge on June 30, 2004 in Book 1753 at Page 268 in the Public Registry of Dare County, North Carolina (the "Declaration").

B. Pursuant to the provisions of Section 13.02, the Declarant hereby amends the Declaration as hereinafter stated.

NOW, THEREFORE, Declarant by this Amendment declares that all property as more particularly described in Section 2.01 of the Declaration shall be held subject to the terms of the Declaration as amended by this First Amendment.

1. The intent of Section 4.03 Changes and Boundaries; Additions to Common Areas, is clarified as follows:

Notwithstanding any provisions within Section 4.03, the Declarant has no intent to change the boundaries of any lots as platted and will not exercise any rights to Declarant to

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reconfigure any lot lines without the express joinder of the lot owner whose property lines would be altered.

2. In Section 4.09 Sales and Construction Offices, the Declarant's Rights and Obligations Period only authorizes signs for sale or rental of properties within First Flight Ridge to be displayed by BD&A Realty & Construction, Inc. and no other signage for other sales or rentals shall be permitted unless said signage is a "For Sale by Owner" or "For Rent by Owner".

3. In Section 6.04 Guidelines and Procedures, all references to "approved Architect and General Contractor" shall be deemed to mean a builder who is licensed by the North Carolina Licensing Board for General Contractors, an Architect who is licensed by the North Carolina Board of Architecture and an Engineer who is licensed by the North Carolina Board of Examiners for Engineers and Surveyors.

4. In Section 7.12 Signage, during the Declarant's Rights and Obligations Period, permitted signage for Builders and Contractors shall only include the signage of BD&A Realty & Construction, Inc.

5. The following correction of typographical errors are made to:

a. On page 15, Section 7.02 General Provisions, the third sentence should read: Such regulations and use restrictions shall be binding upon all owners, occupants, invitees and licensees;

b. Page 16, the last sentence of Section 7.03 Animals, shall read: Every person owning or having possession, charge, care, custody or control of any dog shall keep such dog exclusively upon his lot; provided however, that such dog may be allowed off the Lot if it under control of a competent person and restrained by a chain, leash or other means of adequate physical control;

c. All references to "ACC" in Sections 7.04, 7.05 and 10.01 shall mean the "ASC", the same being the Architectural Standards Committee as defined in Section 6.01; and

d. On page 26 in Section 10.01 the word "sassing" in the fourth sentence is corrected to "assign".

6. Except as amended by this First Amendment to Declaration of Covenants, Conditions and Restrictions for First Flight Ridge, all other provisions of the Declaration are hereby ratified and shall be remain in full force and effect.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has caused this First Amendment to the Declaration of Covenants, Conditions and Restrictions for First Flight Ridge to be executed in its company name the day and year below acknowledged.



DECLARANT:

FIRST FLIGHT RIDGE, LLC


By: R&E Development, LLC, a North Carolina  
Limited Liability Company (Manager)

By:  (SEAL)  
Raju Uppalapati, Manager

STATE OF NORTH CAROLINA  
DARE COUNTY

I, the undersigned, a Notary Public of the County and State aforesaid, do hereby certify that Raju Uppalapati, manager of R & E Developments, LLC, a North Carolina limited liability company (the "Second Company") manager of First Flight Ridge, LLC (the "Company") and that by authority duly given and (a) as the act of the Second Company and (b) as the act of the Company, the foregoing instrument was signed in the name of the Company and in the name of the Second Company by the Second Company's manager.

Witness my hand and official stamp or seal, this 26<sup>th</sup> day of August, 2004.

  
Notary Public

My commission expires: 12/3/05

