

9-6 1984 AT 4:49 PM

DORRIS A. FRY
Register of Deeds
Dare County, N. C.

NORTH CAROLINA

SEA RETREAT TOWNHOUSES

DARE

DECLARATION OF COVENANTS AND RESTRICTIONS

Whereas, Ron. H. Horton and Sharon S. Horton are the fee simple owners of that certain tract or parcel of land located in Atlantic Township, Dare County, North Carolina and more particularly described as follows:

Beginning at an iron pin located at the point of intersection of the eastern right-of-way or margin of Lindburg Avenue and the northern right-of-way or margin of Balchen; thence running along and with the eastern right-of-way or margin of Lindburg Avenue north 19 degrees 15 minutes 00 seconds west 150 feet to an iron pin and a corner; thence turning and running north 70 degrees 45 minutes 00 seconds east 350 feet to an iron pin located in and on the western right-of-way margin of Virginia Dare Trails and a corner; thence turning and running south 19 degrees 15 minutes 00 seconds east 150 feet along and with the western right-of-way or margin of Virginia Dare Trail to an existing hole in concrete pavement and a corner; thence turning and running south 70 degrees 45 minutes 00 seconds west 350 feet to an iron pipe located in and on the eastern right-of-way or margin of Lindburg Avenue and the point of beginning.

For more particular description of the property herein described references made to that survey titled "Sea Retreat Townhouses," formerly lots 14, 15, 16, 30, 31, 32, Block 29, Atlantic Township, Kitty Hawk, North Carolina prepared by Kirk R. Foreman, registered land surveyor, and dated June 13, 1984.

Whereas, said tract or parcel of land is shown on that certain plat titled "Sea Retreat Townhouses," dated June 13, 1984, by Kirk R. Foreman, and recorded in Plat Cabinet B, slides 251 and , in the office of the Register of Deeds of Dare County, North Carolina, and has platted thereon single-family lots (hereinafter defined), together with the Common Areas (hereinafter defined) for the use and benefit of the Owners (hereinafter defined) and their guests; and

Whereas, the undersigned desires to provide for the preservation of the values and amenities in the Development (hereinafter defined) and for the maintenance of said Common Areas (including utilities and amenities) and, to this end, desires to subject the real property described herein to the

covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of the said tract or parcel of land and each Owner; and

Whereas, the undersigned, has deemed it desirable for the efficient preservation of the values and amenities in the Development, that there be an entity to which will be delegated and assigned the powers of maintaining and administering the Common Area and improvements thereon, administering and enforcing the covenants and restrictions, and levying, collecting and disbursing the assessments and charges hereinafter permitted and described; and

Whereas, there has been incorporated under the laws of the State of North Carolina, as a nonprofit corporation, The Sea Retreat Homeowners Association, Inc., for the purpose of exercising the aforesaid functions;

NOW, THEREFORE, the undersigned declares that the real property described herein and shown on that certain plat titled "Sea Retreat Townhouses," dated June 13, 1984, and described hereinabove, is to be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I

Definitions

The following words when used in this Declaration or any supplemental Declaration (unless the context shall otherwise require) shall have the following meaning:

(a) The "Association" shall mean The Sea Retreat Homeowners Association, Inc., its successors and assigns.

(b) The "Development" shall mean the real property described herein and shown on that certain plat titled "Sea Retreat Townhouses", dated June 13, 1984, together with all buildings and improvements thereon.

(c) The "Common Areas" shall mean all those areas of land except lots (herein defined), including the facilities and utilities being constructed thereon, owned by the Association and described herein and on that certain plat titled

"Sea Retreat Townhouses," dated June 13, 1984. Said areas are intended to be devoted to the common use and enjoyment of the members of the Association (hereinafter defined), and are not dedicated for use by the general public.

Certain portions of the common areas and facilities are reserved for the use of a particular lot owner or jointly with one or more other lot owners to the exclusion of other lot owners and are designated as "Limited Common Areas". Limited Common Areas include the septic system (septic tank and drain field) serving a lot and dwelling or lots and dwellings.

The Homeowners Association shall have the authority and right to designate certain common areas as "Limited Common Areas" upon the unanimous vote of all members of the Association.

(d) "Lot" shall mean any lot located in the Development but shall not include the Common Areas.

(e) "Owner" shall mean the record owner, whether one or more persons or entities, of the fee simple title to the Lot, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

(f) The "Developer" shall mean Ron Horton, his heirs, successors and assigns.

(g) "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article II, Section 1 hereof.

ARTICLE II

Membership and Voting Rights in the Association

Section 1. Membership. Every person who is an Owner of any Lot which is subject to this Declaration's assessment (or the assessment of any supplement thereto) by the Association shall be a Member of the Association.

Section 2. Voting Rights. The Association shall have one class of voting membership. Each Member shall be entitled to one vote in the association for each lot in which he holds the interest required for membership required by Section 1 of this

Article II.

When a purchaser of a lot takes title thereto from the Developer, the purchaser becomes a voting member of the Association and the membership of the Developer with respect to that lot shall cease.

ARTICLE III**Property Rights and Common Areas**

Section 1. Members' Easements of Enjoyment. Subject to the provisions of Section 3 of this Article III, every Member of the Association shall have a right and easement of enjoyment in and to the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Areas. The Developer hereby covenants for himself, his heirs, successors and assigns, that prior to the sale of the tenth Lot in the development he will convey by Non Warranty Deed to the Association his interest and title the common areas.

Section 3. Owners Building and Utility Easements. There is hereby conveyed and the Owner does hereby declare, publish, give, grant and convey to the lot and dwelling unit owners, their heirs, successors and assigns, subject to the conditions set forth herein, a perpetual right and easement to construct, or erect, build, repair and maintain dwelling units or portions thereof across and outside of the lot lines as shown on the Sea Retreat recorded plat and upon the common areas of the Association, as well as an easement for any utilities necessary for the use and enjoyment of said dwelling units built or to be built on the aforesaid lots. The rights and easements shall be appurtenant to the lot for which it is necessary and shall extend a distance of three (3) feet in all directions from the original lot boundary line, but in no event shall said easements cross over the lot line of any other lot on said plat and some portion of the foundation of the dwelling unit shall lie within the boundary and upon some portion of the owner's lot as shown and delineated on said recorded plat of Sea Retreat (it being the intention of the parties hereto that a portion of the building as constructed shall be within the boundaries and upon one of the

lots as shown on the aforementioned plat). The easement and rights shall be appurtenant to and run with each of the aforesaid lots.

Section 4. Easements - Parking, Septic and Drainfield.

a. The developer reserves unto himself, his heirs, successors, and assigns, and grants and conveys to each owner, their heirs, successors, and assigns an exclusive motor vehicle parking easement for the use and benefit of each lot owner in and to the parking space bearing the same numerical designation on the aforesaid Sea Retreat Plat as that of the owner's lot. The parking easement shall be appurtenant to the respective lot and be for the use and benefit of the owner, the tenants, guests and family members of the owner. Each lot owner shall have a non-exclusive easement and right to use the private access easements and walkways shown on the plat of Sea Retreat Townhouses; however, no owner, his guests, tenants, or family members shall block or impede access, ingress, and egress and travel over and upon the private drives, walkways and easement areas. The private drives, walkways, and easement areas, including necessary lighting fixtures and wiring, shall be common property and shall be operated, maintained and repaired by the Sea Retreat Homeowners Association, and the cost thereof, paid from the Sea Retreat Homeowners assessment.

b. The Developer reserves unto himself, his heirs, assigns and grants and conveys to each lot owner, his heirs, successors, and assigns a septic system and drain field easement for the maintenance, repair and replacement of the septic tank system and drainfield for each dwelling now or subsequently constructed in the Sea Retreat Development. The septic system easement (including drainfield) shall be on, upon and beneath the surface area of the land. After completion of any land disturbing activity necessary to replace or repair a portion or the entire septic system and/or drainfield, the disturbed surface of the land shall be restored to essentially the same condition as prior to the land disturbing activity.

The lot owners shall have the duty and obligation to

maintain, repair and replace (if necessary) the septic system and drain field which is used by their lot and dwelling. In the event a septic system and drainfield are jointly used, the cost of repairing, maintaining and replacing said septic system and drainfield shall be shared proportionally and equally among the joint owners.

In the event a septic system and or drainfield fails and the owner or owners do not repair or replace the system, then the Homeowners Association, after giving the owner(s) seven (7) days written notice, may employ a firm or individual necessary to correct the failure, including replacing the system and/or drain field, and such firm or employee shall have the same right to effect the work, repair, or replace the system as that of the lot owner. The cost shall be assessed by the Homeowners Association against the lot(s) and owner(s) as a separate charge. The lot owner(s) shall pay the separate charge within thirty (30) days after receiving notice of the amount due and the lot owners' failure to pay such sum when due shall subject the owner's lot to a lien for the unpaid amount. The lien shall be enforced as provided in this Declaration of Covenants for the enforcement of liens.

Section 5. Extent of Members' Easements. The rights and easements granted Members hereby shall be subject to the following:

(a) The rights of the Association, in accordance with its Articles of Incorporation and Bylaws, to borrow money for the purpose of improving the Common Areas and in aid thereof, to mortgage or otherwise secure such borrowings by creating a lien or other security interest in said Common Areas and right of any mortgagee of said property or others holding a security interest created for the purpose aforesaid shall be superior to the rights of the Owners hereunder;

(b) The right of the Association to take such steps as are reasonably necessary or desirable to protect the Common Areas against foreclosure;

(c) The right of the Association to suspend the enjoyment rights of any Member to the Common Areas for any period

during which any assessment remains unpaid or for any infraction of any rules and regulations;

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Areas or any portions thereof;

(e) The right of the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication, transfer or determination as to the purposes or as to the conditions thereof shall be effective unless an instrument, signed by members entitled to cast two-thirds of the votes of the Membership, if any, has been recorded, agreeing to such dedication, transfer, purpose or condition, and unless written notice of the action is sent to every Member not less than 10 nor more than 50 days in advance of any action taken; and

(f) The right of the Developer, unilaterally and/or in conjunction with the Association, to grant and reserve easements and rights of way through, under, over, and across the Common Areas, for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, fuel oil, cablevision and other utilities and services, and the right of Developer to grant and reserve easements and rights of way through, over, upon and across the Common Areas for the completion of Developer's work in connection with the construction of improvements in the Common Areas and for the completion of Developer's work and for the operation and maintenance of the Common Areas.

(g) The right of the Developer, unilaterally, to dedicate the roads and streets in the Development to public use.

(h) The right of the Developer to unilaterally grant and reserve the right and easement of enjoyment in and to the Common Areas to every Owner of a Lot located in the Development, which right and easement shall be appurtenant to and shall pass with the title to every Lot.

ARTICLE IV

Completion, Maintenance and Operation of Common Areas and Covenant for Assessments Therefor

Section 1. Completion of Common Areas by the Developer.

(a). Prior to the conveyance of the last Lot in the Development, the Developer shall construct the amenities and all other improvements (including utilities referred to herein) shown on the aforesaid plat, and not in existence on a date hereof, which improvements shall be located on the Common Areas.

(b). Developer's obligation to complete the construction of said improvements, at the Developer's sole cost and expense, shall survive the conveyance of the Common Areas to the Association.

Section 2. Operation and Maintenance of Common Areas. Commencing on the date of the conveyance of the first lot, the Association shall operate and maintain the Common Areas at its sole expense.

Section 3. Assessments.

(a). Commencing on the date of conveyance of the first Lot in the Development and thereafter, the Developer, for each Lot in the Development owned by the Developer, hereby covenants and each subsequent Owner of any such Lot by acceptance of a deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments (maintenance charges), and (2) special assessments for capital improvement, such assessments to be fixed, established and collected from time to time as hereinafter provided.

(b) The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Development in connection with their use and enjoyment of the Common Areas, including, but not limited, to, the payment of taxes, insurance premiums and debt service on mortgages, if any, any repair, replacement and addition to the Common Areas, the cost of labor, equipment, materials, management and supervision of the Common Areas, or for creating reserves for such purposes, all of which obligations the Association hereby assumes as of the

date of the conveyance of title to the common Areas by the Developer. The Developer shall have no obligation to operate and maintain the Common Areas after the conveyance of the Common Areas to the Association.

Section 4. Amount and Payment of Annual Assessment. The Association shall from time to time fix the amount of the annual assessment at a sum sufficient to pay the anticipated costs of maintaining and operating the Common Areas as contemplated by Section 3 (b) of this Article IV and any operating deficits previously sustained. The proportionate share of the aggregate assessments of the Association chargeable to each Lot shall be the said aggregate annual assessment divided by the number of Lots owned by Members. An Owner's annual obligation shall be payable as directed by the Association. The annual assessment due the Association from each Owner of a Lot for the year shall be Two Hundred Dollars (\$200.00).

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 4 of this Article IV, the Association may levy special assessments (which shall be fixed in accordance with the proportions set forth in section 4 of this Article IV) for all Lots for the purposes of defraying, in whole or in part, the cost of any construction, reconstruction or replacement of a capital improvement upon the Common Areas, including the necessary fixtures and personal property related thereto, as well as necessary waste water treatment facilities, provided that any such special assessments shall have the assent of two-thirds of the vote of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members not less than 10 days nor more than 50 days in advance of the meeting, setting forth the purpose of the meeting. The due date of any specified assessments shall be fixed in the resolution authorizing such assessments.

Section 6. Duties of the Board of Directors. In the event of any change in the annual assessments as set forth above, the Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot

for such assessment period at least 30 days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto, which shall be maintained by the Association and shall be open to inspection by any Owner.

Written notice of the assessments shall thereupon be sent to every Owner subject thereto.

The Association shall, upon demand at any time, furnish to any Owner liable for said assessment, a certificate in writing, signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been made.

Section 7. Nonpayment of Assessment; the Personal Obligation of the Owner; the Lien and Remedies of the Association. Every assessment, together with such interest thereon and cost of collection thereof as are hereinafter provided, from the time made and until it is paid, shall constitute and continue as a lien on each Lot, and shall also be a personal obligation of the Owner of the Lot on the date when such assessment is due and payable, but the personal obligation for assessments made but unpaid shall not thereafter pass to the successors in title of the Owner unless responsibility therefor shall be assumed by them in writing. If any such assessment is not paid within 30 days after the date upon which it is due and payable, such assessment shall bear interest from the date on which it is due and payable at the maximum legal rate of interest allowed by law on judgements.

The Association may bring a legal action against any Owner personally obligated to pay any assessment and/or may enforce or foreclose the lien against the Lot in respect of which any assessment, or interest thereon, has not been paid. In that event a judgment shall include interest on the assessment as above-provided and a sum, to be fixed by the Court, to reimburse the Association for all costs, disbursements and expenses (including without limitation, reasonable attorney's fees)

incurred by the Association in connection with said action.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage, deed of trust or other security interest now or hereafter placed upon any Lot. Any and all assessments which may become due and payable prior to a sale or transfer of the Lot pursuant to a decree of a foreclosure, or by conveyance in lieu of foreclosure shall be paid by the purchaser, except where the purchaser is the holder of the obligation secured by any such mortgage, deed of trust or security interest.

Section 9. Obligation of Owner of Dwelling Unit to Maintain Insurance Coverage. Each owner of a Dwelling Unit shall obtain and maintain in force such insurance coverage on his Dwelling Unit as the Board of Directors of the Association may determine or require in sufficient amounts to replace his Dwelling Unit. Each owner of a Dwelling Unit shall furnish to the Board of Directors of the Association such evidence of insurance coverage as the said Board of Directors may from time to time require. In the event an owner fails to maintain such coverage or furnish evidence thereof, the Association may obtain policies providing such coverage and pay the premiums therefor, which premiums shall be chargeable against the owner of a Dwelling Unit failing to maintain such coverage or failing to furnish evidence thereof as aforesaid, which premiums shall constitute and continue as a lien on the Dwelling Unit of any such owner and shall also be a personal obligation of any such owner and be enforced as provided in Article IV, Section 7 hereof.

ARTICLE V

Use of Property

Section 1. Fence. No fence of any type shall be erected or placed upon said lot except with the prior written approval of Developers.

Section 2. Obstructions. There shall be no obstruction of the Common Areas nor shall anything be stored in the Common Areas without prior consent of the Board of Directors of the Association.

Section 3. Planting. No Owner, other than the Developer, shall plant or install any trees, bushes, shrubs, or other plantings, or authorize the same to be done, in any Common Areas, without the written approval of the Board of Directors of the Association.

Section 4. Easements.

(a) Perpetual easements in the Development for the installation and maintenance of sewer, water, gas, electrical, telephone, cablevision, drainage facilities, and other utilities or services, for the benefit of the adjoining land owners, the County of Dare or any other municipality having jurisdiction over the development, any municipal, public or private utility company ultimately operating such facilities are reserved to the Developer, his heirs, successors and assigns, for the purpose of dedication to such persons or entities.

(b) Easements in general in and over each Dwelling Unit and/or Lot for the installation and maintenance of electric, gas and telephone facilities are reserved to the Developer, his heirs, successors and assigns. No building or structure shall be erected within the easement areas occupied by such facilities.

Section 5. Residential Use. All Dwelling Units or Lots shall be used for residential purposes only, but this shall not prohibit the owner from renting the unit for residential purposes. No building shall be erected or placed or permitted to remain on any lot other than one single-family dwelling.

Section 6. Signs. No sign of any kind shall be displayed to the public view on any lot except one sign of not more than five square feet advertising the property for sale or rent or signs used by the Developer to advertise the property during the construction and sale period.

Section 7. Animals. No animals, livestock or poultry of any kind, other than household pets, shall be kept on any Dwelling Unit or Lot. No household pets shall be housed outside a Dwelling Unit or permitted to run free.

Section 8. Trailers. No trailer or temporary structures, such as tents, shacks, garages, barns or other

outbuildings, campers, modulars or prefabricated structures, shall be moved onto, maintained, placed, used or permitted to remain on a Dwelling Unit or Lot.

Section 9. Common Areas. the Common Areas may be used by an owner and his guests or tenants only as provided by this Declaration, the Bylaws of the Association and/or rules duly promulgated by the Association. No commercial use may be made of any recreational facilities located on the common Areas and no loud speakers shall be permitted or used. Any outdoor lighting used in connection with recreational facilities shall be extinguished between 10 o'clock p.m. and 7 o'clock a.m. each day.

Section 10. Architectural Review. The design, materials, construction and location on each lot of any home, residence, commercial structure or other permitted building or buildings or the alteration or addition thereto, before the beginning of any work thereon, shall be submitted to the Developer for approval and its approval shall be a condition precedent to the beginning of work on said structure.

Section 11. Alterations and Repairs. Alterations of every nature to a Dwelling Unit or Lot, including, but not limited to, screening porches, installing screen doors, screens, stairs or windows or exterior painting, shall be approved by the Board of Directors of the Association.

Damage to or destruction of any one or all of the Dwelling Units and/or improvements shall be promptly repaired and restored by the Owner using the proceeds of insurance for that purpose as provided in Article IV, Section 9 of this Declaration. All repairs or reconstruction shall be made substantially in accordance with the plans and specifications used for the original structures.

Section 12. Porch Railing. No articles, including, but not limited to, towels, blankets or flags, shall be permitted on porch railings or otherwise attached to a Dwelling Unit.

Section 13. Waste and Rubbish. No lot shall be used or maintained as a dumping ground for rubbish. All trash, garbage or other waste shall be deposited in sanitary containers or

other equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition.

Section 14. Offensive Activity. No noxious or offensive activity shall be carried on upon any lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 15. Developer's Agents. Whenever in these restrictions any approval, authority, act or deed is required of the Developer, the same may be taken as done if such approval, authority, act or deed is given or done by an agent authorized to act on behalf of the Developer. Until the Developer files a writing in the Dare County Register of Deeds office to the contrary, Jim Franklin shall be agent of the Developer for the purpose of granting approvals, authority, acts and deeds required of the Developer pursuant to these restrictions.

ARTICLE VI

General Provisions

Section 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or any Owner, their respective heirs, successors and assigns, until July 31, 2014, unless otherwise expressly limited herein, after which time the said covenants and restrictions shall be automatically extended for successive periods of ten years each unless an instrument signed by the Owners of seventy-five percent of the Lots has been recorded, agreeing to change or terminate the said covenants and restrictions. Provided, however, that no such agreement to change shall be effective unless made and recorded at least six (6) months in advance of the effective date of such change and unless written notice of the proposed agreement is sent to every owner at least ninety (90) days in advance of any action taken.

This Declaration may be amended at any time by an instrument signed by Members holding not less than two-thirds of the votes of all classes of the membership. Any such amendment must be recorded in the office of the Register of Deeds of Dare County to

be effective.

Section 2. Notices. Any notice required or permitted to be sent to any Member or owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed first class mail, postage prepaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 3. Enforcement. The Association, any Member, or any Owner shall have the right to enforce these covenants and restrictions against any person or persons violating or attempting to violate any covenant or restriction, to restrain violations, to require specific performance and/or recover damages; and against the land to enforce any lien created by these covenants; and failure by the Association or Member or any owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The expense of enforcement shall be chargeable to the owner violating these covenants and restrictions and the expense so incurred by the Association shall constitute a lien on such Owner's Dwelling Unit and Lot, collectible in the same manner as assessments hereunder.

Section 4. Dissolution of Association. In the event the Association is dissolved in accordance with the provisions of the Association's Articles of Incorporation and the assets, both real and personal, of the Association are dedicated to a governmental authority having ad valorem taxing powers, the covenants and restrictions contained herein, other than those applying to assessments, shall remain in full force and effect. It shall be an obligation of the Association, prior to said dissolution, to establish an appropriate authority, corporation or other entity for enforcing the liens and restrictions contained herein.

In the event that such dedication to a governmental authority is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to purposes nearly as practicable the same as those to which they were required to be

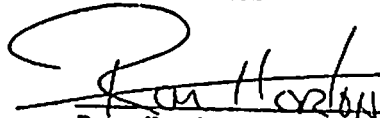
devoted by the Association. In such event the covenants and restrictions contained in the Declaration, including those applying to assessments, shall remain in full force and effect. No such disposition of the properties of the Association shall be effective to divest or diminish any right or title of any Member vested in him under the Declaration and deed applicable to his property unless made in accordance with the provisions of the Declaration and deed.

Section 5. Coinflicts. In case of any conflict between this Declaration, as the same may be amended from time to time, and the Articles of Incorporation and the Bylaws of the Association, as they may be amended from time to time, the provisions of this Declaration shall control.

Section 6. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no way affect the validity of any other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the Developer has executed this Declaration and adopted as this seal the word "SEAL" appearing at the end of this signature line this the 23rd day of August, 1984.

SEA RETREAT


Ron Horton (SEAL)


Sharon S. Horton (SEAL)

STATE OF North Carolina

COUNTY OF Rowan

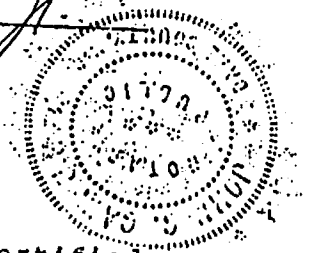
I, the undersigned Notary Public, do hereby certify that Ron Horton and Sharon Horton personally appeared before me this day and being by me duly sworn, says that he executed the foregoing instrument for and in behalf of the Grantor and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged, and recorded in the office of the Register of Deeds of Dare County on the ___ day of

STATE OF NORTH CAROLINA

COUNTY OF DARE

I, a Notary Public of the County and State aforesaid, certify that Ron H. Horton and Sharon S. Horton personally appeared before me this day and acknowledged the execution of the foregoing instrument. Witness my hand and official stamp or seal, this 27 day of August, 1984.

John G. Gaw, Jr.
Notary Public



My commission expires 6/30/86.

STATE OF NORTH CAROLINA

COUNTY OF DARE

The foregoing certificate of John G. Gaw, Jr. is certified to be correct.

This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

Dennis O. Fry
Register of Deeds
By *Wangella Mc Murren*
Assistant/Deputy
Register of Deeds

RECORDED: SEP. 21 1984