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BARBARA M GRAY, REGISTER OF DEEDS DARE CO, NC

Prepared by and return to:
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**DECLARATION OF PROTECTIVE COVENANTS
FOR NAGS HEAD SHORES SUBDIVISION**

THIS DECLARATION OF PROTECTIVE COVENANTS, made this 23rd day of April, 2001 by Belford/Seal Development, LLC a North Carolina Limited Liability Company, hereinafter referred to as the "Declarant;"

RECITALS:

1. The Declarant is the owner of certain real property located in the Town of Nags Head, Dare County, North Carolina and more particularly described in Section 2.01 herein and said property being hereinafter referred to as "Nags Head Shores" and the "Subdivision" herein; and
2. The Declarant desires to provide for the preservation of the values of Nags Head Shores and, to this end, desires to subject the real property described in Section 2.01 to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are, for the benefit of said real property and each owner thereof; and
3. The Declarant desires the development of Nags Head Shores be patterned upon Architectural Styles which incorporate coastal theme architecture by incorporating design and building materials as more particularly set forth within those Architectural Guidelines of Article V herein for the purpose of protecting the value and desirability of Nags Head Shores;
4. To accomplish the objectives stated within these Recitals, the Declarant believes it is in the best interest of Nags Head Shores for it to maintain a significant role in the implementation of the Subdivision and has therefore retained certain rights and will exercise control in the development until the developmental process has been completed;

NOW, THEREFORE, in consideration of the foregoing recitals, the provisions of which are a substantive part of this Declaration, and other good and valuable consideration, all that property more particularly described in Section 2.01, and any other property annexed pursuant to Section 2.02 shall be held, conveyed, apothecated, encumbered, sold, leased, rented, used, occupied and improved subject to the covenants, conditions, easements and restrictions set forth in the Governing Documents, as modified and amended from time to time, all of which shall run with the real property subjected to the Governing Documents and which shall be binding on all title or interest in all or any portion of Nags Head Shores, their respective heirs, personal representatives, successors, transferees and assigns, as well as occupants, guests and invitees, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

Section 1.01 **Definitions**. When used in this Declaration, unless the context shall prohibit or otherwise require, the following words shall have all the following meanings and all definitions shall be 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 "Architectural Standards Committee" shall mean and refer to the committee appointed by the Declarant to review and either approve or disapprove of all structural improvements, additions, modifications and changes at Nags Head Shores as provided in Article V.

Section 1.04 "Declarant" shall mean Belford/Seal Development, LLC, a North Carolina Limited Liability Company and their successors, transferees and assigns.

Section 1.05 "Declaration" shall mean and refer to the Restatement and Amended Declaration of Protective Covenants for Nags Head Shores Subdivision.

Section 1.06 "Dwelling Unit" shall mean and refer to any improved property intended for use and occupancy by a single household.

Section 1.07 "Improvements" shall mean and refer to any additions to a Lot including a dwelling, garage, carports, porches, terraces, balconies, decks, patios, courtyards, greenhouses, atriums, bulk storage areas, attics and basements and any

other construction which has been approved by the Architectural Standards Committee of Nags Head Shores.

Section 1.08 "Living Area" shall mean and refer to enclosed heated covered areas within a Dwelling, exclusive of garages, carports, porches, terraces, balconies, decks, patios, courtyards, greenhouses, atriums, bulk storage areas, attics and basements.

Section 1.09 "Lot" shall mean and refer to any separately numbered plot of land shown upon now or subsequently recorded on the Subdivision Plat of Nags Head Shores Subdivision.

Section 1.10 "Nags Head Shores" shall refer to all properties in Nags Head Shores Subdivision.

Section 1.11 "Owner" shall mean and refer to record owner of a lot in Nags Head Shores.

Section 1.12 "Period of Declarant Control" shall mean and refer to the period of time commencing on the day the Declaration is recorded in the Office of the Register of Deeds of Dare County and continuing until the earlier of: (i) such time as Declarant shall cease to own at least twenty percent (20%) of the lots in the Subdivision; or (ii) ten (10) years from the date this Declaration is recorded in the Register of Deeds of Dare County.

Section 1.13 "Person" means a natural person, corporation, or a business trust, estate, trust, partnership, limited liability company, joint venture or any other legal entity.

Section 1.14 "Special Declarant Rights" means rights reserved for the benefit of the Declarant including, without limitation, any right (i) to complete improvements indicated on plat and plans filed with the Declaration; (ii) to exercise any development right; (iii) to maintain sales offices, management offices, signs advertising, and models.

Section 1.15 "Subdivision Plat" shall refer to that plat entitled "Revised Map of Section of Nags Head Shores in Dare County, NC" recorded in Map Book 2, at Page 63 of the Public Registry of Dare County, North Carolina.

ARTICLE II

STATEMENT OF SUBMISSION



Section 2.01 Submission of Property. The real property which shall be held, conveyed, hypothecated, encumbered, sold, leased, rented, used, occupied and improved subject to the Governing Documents shall consist of the following:

Lots: 1, 2, 3, 4, 5, 6, 7, 8, 12 and 13 of Section A and Lots 1, 2 and 3 of Section C of that Map or Plat entitled "Revised Map of Section of Nags Head Shores in Dare County, NC" which appears of record in the Office of the Register of Deeds of Dare County, NC in Map Book 2, at Page 63 (the "Subdivision Plat");

ARTICLE III

PROPERTY RIGHTS

Section 3.01 Easements for Declarant. As long as the Declarant retains ownership of any Lots within the Nags Head Shores Subdivision, Declarant shall have alienable and transferable right and easement, for purposes of ingress and egress of all roads within the Subdivision for the purpose of constructing any improvements in and to the Lots and for installing, maintaining, repairing and replacing such other improvements to the Nags Head Shores Subdivision which may be undertaken by Declarant but for which in no event shall Declarant have any obligation to do any of the foregoing.

Section 3.02. Easements for Utilities and Drainage. The Declarant reserves unto itself, its successors and assigns, a perpetual alienable and releasable easement and right on, over and under the ground to erect, maintain and use electric, gas, water, sewer, drainage facilities, telephone systems, cable television services, and conduits for the purpose of bringing public services to the Nags Head Shores Subdivision, on, in or over those made on the Nags Head Shores Subdivision Plat. Declarant reserves unto itself, its successors and assigns, perpetual, alienable and releasable easements within the Nags Head Shores Subdivision and the right on, over and under the ground to cut drainways for surface water and make any grading of the soil whenever and wherever such action may appear to Declarant to be necessary to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, take or add any soil, or take any other similar action reasonably necessary to provide economical and safe utility installation or to maintain reasonable standards of health, safety and appearance.

Section 3.03. Maintenance Easement. There is hereby reserved for the benefit of Declarant, its respective agents, employees, successors and assigns, the right to enter upon any Lot, such entry to be made by personnel with tractors or other suitable devices, for the purposes of mowing, removing, clearing, cutting or pruning underbrush, weeds or unsightly growth for the purpose of building or repairing any land contour or other earth work which in the opinion of the Declarant or its agents detracts from or is necessary to maintain the overall beauty, ecology, setting and safety of the property. Such entrance shall not be deemed as trespass. Declarant, and its successors, and/or assigns or designees may likewise enter upon any Lot to remove any trash which is collected without such entrance and removal being deemed as trespass. The provisions of this paragraph shall not be construed as an obligation



on the part of the Declarant and/or any designee of Declarant to undertake any of the foregoing.

Section 3.04. **Environmental Easement.** It is hereby reserved for the benefit of Declarant, and its respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement on, over, and across all Lots for the purpose of taking any action necessary to effect compliance with environmental rules, regulations, and procedures from time to time promulgated by any governmental entity or instituted by the Board of Directors or by any governmental entity, such easement to include, without limitation, the right to implement erosion control procedures and practices, the right to drain standing water, and the right to dispense pesticides.

Section 3.05. **Driveways for Lots 2 and 3, 4 and 5 and 6 and 7.** The driveways for Lots 2 and 3, 4 and 5, and 6 and 7 as they access to North Carolina Highway 12 shall be parallel and located within those areas as shown on the dotted lines of the Subdivision Plat with the center line for Lots 2 and 3 being the Northern boundary line of Lot 3 and the Southern boundary line of Lot 2; the center line being the Northern line of Lot 5 and the Southern line of Lot 6. The owners of Lots 2 and 3, the owners of Lot 7 and the Southern line of Lot 4; and the center line being the owners of Lots 3 and 4 and the owners of Lots 6 and 7 shall equally bear the cost of all maintenance and repair and any replacement of their common driveway.

Section 3.06. **Joint Access to the Atlantic Ocean for Lots 2 and 3, 4 and 5 and 12 and 13.** Prior to a Certificate of Occupancy being issued for Lots: 2, 3, 4, 5, 12 and 13, a walkway shall be installed between Lots 2 and 3, 4 and 5 and 12 and 13 for the purpose of providing dune access to the Atlantic Ocean.

Section 3.07. **Access to Lots 12 and 13.** Ingress and egress and regress to and from Lots 12 and 13 shall be non-exclusive with the owner of that oceanfront lot situated to the South of Lot 12 from Gallery Road on the South along a private street which extends from Gallery Row on the South to the Southern boundary line of Lot 5 of Nags Head Shores. The Declarant makes no representations about the responsibilities of said private street for repair and replacement.

ARTICLE IV

MAINTENANCE AND INSURANCE

Section 4.01 **Maintenance.** Each Lot Owner shall be responsible for all maintenance and repair of his Lot and/or Dwelling Unit together with all other improvements therein and all landscaping 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 all trees, shrubs, hedges, walkways, driveways and other landscaping consistent with site plan and plans approved by the ASC.

Section 4.02 Driveway Culverts. Each Lot Owner when making a driveway connection to street shall preserve the existing swale or provide a suitable drainage culvert so as to allow for the unimpeded water movement in order to maintain the integrity of the stormwater swale. Such maintenance by the Owners, removal of sediments within the swales, as needed and upkeep of the vegetation cover on a periodic, as required, basis. Vehicular traffic and the parking of any vehicles are strictly prohibited within the stormwater's swales.

Section 4.03. North Carolina Division of Environmental Management Water Quality Section Stormwater Regulations. As a condition to the North Carolina Stormwater Management Permit No. _____ issued by the Division of Water Quality for Nags Head Shores Subdivision, the following covenants may not be changed or deleted without the consent of the North Carolina Division of Environmental Management Water Quality Section:

- (a) The allowable built-upon area per lot shall not exceed that square footage designated on Exhibit A attached heretc and incorporated herein by reference, inclusive of that portion of the right-of-way between the front lot line and the edge of the pavement, structures, walkways of brick, stone, slate, not including wood decking.
- (b) Filling in or piping of any vegetative conveyances (ditches, swales, etc.) associated with any development except for average driveway crossings, is strictly prohibited by any persons.

ARTICLE V

ARCHITECTURAL STANDARDS AND USE RESTRICTIONS

Section 5.01 Purpose. In order to protect the natural beauty of Nags Head Shores and to protect property owners within Nags Head Shores, from depreciation of values that could be caused by poor design and failure of materials, inharmonious color schemes haphazard location of improvements, Lots within Nags Head Shores and all improvements located thereon shall be subject to the restrictions set forth in this Article V. Every grantee of any interest in Nags Head Shores by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article V.

Section 5.02 Architectural Standards Committee.

(a) **Membership:** The Architectural Standards Committee (the "ASC") shall be that ASC appointed by the Declarant during the Period of Declarant Control and thereafter appointed by the Board.

(b) **Procedure:** At least thirty (30) days prior to the proposed commencement of any construction, the plans shall be submitted to the ASC. The ASC's approval, disapproval or waiver as required in these covenants shall be in writing and the decision of a majority of the ASC in case of any disagreement among ASC members



as to the approval, disapproval or waiver by the ASC shall be controlling. In the event the ASC or its designated representatives fail to approve or disapprove within thirty (30) days after plans have been received by it, approval of the ASC will not be required and the related covenants and conditions of this Declaration shall be deemed to have been fully complied with. Further, in the event any construction is commenced on any Lot without submission to the ASC of the plans with respect thereto, and no action or suit is instituted against the Owner of such Lot by the Declarant then any Owner of any other Lot constituting a portion of the Subdivision within ninety (90) days after the foundation of any building being constructed on any such Lot is completed, then, and in any such event, approval by the ASC will not be required and the related covenants and conditions of this Declaration shall be deemed to have been fully complied with.

Section 5.03 Approval of Plans.

(a) Submission of Plans. No building, wall, driveway, swimming pool, tennis court, or other structure, site work or clearing preparatory to construction shall be begun, altered, added to, maintained or reconstructed on any Lot until the plans and specifications for such work have been reviewed and approved by the Architectural Standards Committee (hereinafter referred to as the "ASC"). Before commencing such review, a Lot Owner shall submit to the ASC three (3) completed sets of plans and specifications, including, but not limited to: foundation plan, floor plan or plans, the four directional elevations, a schedule of proposed exterior colors and material, shingle colors, grade and weight, plan showing driveway, parking, and proposed commencement date of construction and expected completion of improvement. The ASC shall have the absolute and exclusive right to refuse to approve any such plans and specifications which are not suitable or desirable in the opinion of the ASC for any reason, including purely aesthetic reasons which, in the sole and uncontrolled discretion of the ASC, shall be deemed sufficient. If construction of any improvement required to be approved shall not have been begun before the expiration of six months following approval, said approval shall be void and of no effect. In such event, the plans of such improvement shall be resubmitted to the ASC for reconsideration and the ASC may, in its discretion either confirm its earlier approval of plans or disapprove. All plans must be in compliance with those Guidelines for Building and Development administered by the ASC which as of the date of this Declaration are those guidelines set forth in Section 5.03(c) herein.

(b) Review Fee to Declarant. The Owner must submit a non-refundable review fee of \$200.00 to the Declarant and a security deposit in the amount of \$500.00. The Security Deposit will be refunded to the owner in a timely manner after the owner has complied with the Guidelines for Building and Development and has notified the Declarant that construction on the property has been completed.

(c) Guidelines for Building and Development.

1. The Declarant shall prepare the initial design development guidelines and application of review procedures which shall be applicable to all construction activities within Nags Head Shores. Each applicant acknowledges that composition of the ASC will change from time to time and that decisions regarding aesthetic matters and interpretation and application may reasonably vary from time to time.

The approval of the ASC of any proposal or plans or 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 rights with whole approval consent as to similar proposals, plans and specifications.

2. No Dwelling Unit which has an area of less than 1,800 square feet, exclusive of porches, breezeways, steps and garages, shall be erected or placed or permitted to remain on any non-soundfront lot nor shall any Dwelling Unit which has an area of less than 2,000 square feet, exclusive of porches, breezeways, steps or garages, shall be erected or placed or permitted to remain on any Soundfront lot.

3. Entrance and yard lighting shall be small wattage, low level ground lighting. High intensity flood lighting from poles or dwellings is not permitted unless specifically approved in writing by the ASC.

4. Maximum height shall be in accordance with the Dare County Zoning Ordinance.

5. Drives shall not exceed eighteen (18) feet in width at connection to streets, paved with concrete, asphalt or bricks. Colored drives will not be approved (red, green, etc.). Parking spaces under houses, in garages or carports or in driveways will be acceptable.

6. A landscaping plan must be submitted in accord with the requirements of Section 4.04 herein.

7. Set back restrictions are those set forth on the Subdivision Plat.

8. Signs: Only the following signs are permitted:

(a) Permanent Owner Identification - 8" X 30" with Owner's name or adopted name with colors to be approved.

(b) Real Estate Sales or Rentals - One 2 square foot Realtor's "For Sale" sign and/or one 12" X 24" Realtors "For Rent" sign allowed for each property.

(c) Contractor Sign - shall not be greater than six square feet and shall be removed when a Certificate of Occupancy is issued.

(d) Marketing Signage - During the Period of Declarant Control, the Declarant shall have the right to locate signs and/or flags indicating the location of sales and rental centers, any recreational facilities and amenities and such other information as may be required on any lot which the Declarant locates or needs a marking medium.

9. Utility lines - All water, sewer, electrical and cable television lines are to be installed underground.

10. Mail boxes and newspaper receptacles will be of standardized

design approved by the ASC.

11. Vents, Pipes, Air-Conditioning Equipment, Down Spouts and Lights – No vent or other pipes or appendages may extend from the front of any Dwelling Unit unless screened from public view by a screening material or shrubbery approved by the ASC. Exterior air-conditioning equipment and heating equipment must be screened from public view by a screening material or shrubbery approved by the ASC. Down spouts and gutters must be so constructed as to not promote the erosion of the soil on any lot. Exterior spotlighting shall be directed so as not to cast light directly on another Dwelling Unit.

12. Garbage – Except as required by any appropriate governmental authority, each Owner shall provide receptacles for garbage, and all garbage receptacles, tools and equipment for use on the Lot of any Owner or otherwise shall be placed in a fenced area in accordance with reasonable standards established by the ASC to shield same from general visibility from roads and adjoining lots. No fuel tanks or similar storage receptacles, other than solar panels and related storage facilities, may be exposed to view and such fuel tanks or similar storage receptacles may be installed only within the Dwelling Unit, or any accessory building, or building, buried underground or a screening with the prior approval of ASC.

13. Sewage Disposal – Prior to the occupancy of any Dwelling Unit located in Nags Head Shores, proper and suitable provisions shall be made by the Owner for the disposal of sewage by means of a septic tank or tanks constructed on the Lot, which will be constructed, maintained and used only in accordance with local and state laws and regulations. In the event that a community or municipal sewage system is constructed then each Owner will pay their pro rata share of the associated costs.

14. Tree Cutting – Trees measuring three (3) inches or more in diameter at a point two feet above the ground and any flowering trees or shrubs above five (5) feet in height may not be removed from Nags Head Shores without written approval of the ASC unless located within five (5) feet of a Dwelling Unit, or site for such Dwelling Unit, septic tank, drainfield, swimming pool, driveway or walkway.

15. Vegetation – No existing vegetation or sand dunes shall be disturbed during construction without the express written consent of the ASC. The ASC shall require written proposals for the restabilization of any such disturbed area. Any vegetation disturbed during construction shall be repaired to the satisfaction of the ASC prior to Owner applying for an occupancy permit. However, the ASC may not approve the alteration of any vegetation, swale, or dune shown on the plans approved by the Department of Environment and Natural Resources, Division of Water Quality without submitting a revision to Nags Head Shores' permit.

(d) Variance. The ASC may from time to time grant the Owners of the property in Nags Head Shores a waiver or variance of the provisions of this Declaration. The conditions under which such a waiver or variance may be granted shall be in the total discretion of the ASC. The expressed purpose of the powers as described in the paragraph is to enable the committee to alleviate hardships created by

the terms of this Declaration under circumstances which are beyond control or fault of the parties and would create irreparable harm or unnecessary hardship without such action; or under conditions where title to the property in question is clouded, encumbered or detrimentally affected by the existence of conditions which cannot otherwise be corrected.

(e) Procedure: At least thirty (30) days prior to the proposed commencement of any construction, the plans shall be submitted to the ASC. The ASC's approval, disapproval or waiver as required in these covenants shall be in writing and the decision of a majority of the ASC in case of any disagreement among ASC members as to the approval, disapproval or waiver by the ASC shall be controlling. In the event the ASC or its designated representatives fail to approve or disapprove within thirty (30) days after plans have been received by it, approval of the ASC will not be required and the related covenants and conditions of this Declaration shall be deemed to have been fully complied with. Further, in the event any construction is commenced on any Lot without submission to the ASC of the plans with respect thereto, and no action or suit is instituted against the Owner of such Lot by the Declarant or any Owner of any other Lot constituting a portion of the Subdivision within ninety (90) days after the foundation of any building being constructed on any such Lot is completed, then, and in any such event, approval by the ASC will not be required and the related covenants and conditions of this Declaration shall be deemed to have been fully complied with.

Section 5.04 Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as presenting or guaranteeing that any Dwelling Unit or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, nor the Architectural Standards Committee shall be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article V, nor any defects in construction undertaken pursuant to such plans and specifications.

Section 5.05 Use of Lots and Dwellings Units. No Lot shall be used except for residential purposes (with the exception of sales center, office, building or model home constructed or to be used by the Declarant). Further, no "Model Home" or "Open House" type of operation shall be allowed without the express written permission of the Declarant. No lot or dwelling unit shall be used for business, manufacturing or professional purposes except for those home occupations as may be approved by Dare County. No noxious or offensive trade or activity shall be carried out upon any lot or within any dwelling unit, nor shall anything be done thereon which may be or become an annoyance or a nuisance to other Owners.

Section 5.06 Exterior Appearance. No fence, wall, hedge, or mass planting shall be permitted except upon approval by the ASC as to location, style, design and materials. Any unenclosed garages or carports must be adequately screened from street views. Further, no foil or other reflective material shall be used on any windows for sunscreens, blinds, shades or other purposes nor shall any window-mounted heating or air-conditioning units be permitted.

Section 5.07 Antennas. Except for 'dish' antennas designed to receive direct broadcast satellite service, including direct-to-home satellite service, one meter (39") or less in diameter, antennas designed to receive video programming services via MMDS (wireless cable), no outside antennas or satellite dishes and no free standing transmission or receiving towers shall be erected on any Lot within Nags Head Shores without the prior written permission of the ASC. Except as otherwise reasonably required in order to receive the intended signal, any satellite dish erected on any Lot shall be affixed to the Dwelling, shall be a color which blends with its surrounds, shall have a mast only as high as reasonably necessary to receive the intended signal and shall not be visible from that street that accesses the Lot.

Section 5.08 Animals and Pets. Animals, livestock or poultry of any kind shall not be raised, bred or kept on any Lot except dogs, cats, or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose and provided that they are under the control of their owners at all times.

Section 5.09 Prohibited Structures. No structure of a temporary character, house trailer of any kind, tent, shack, garage, mobile home, barn or other outbuilding shall be used, placed or allowed on any Lot or building site of land at any time either temporarily or permanently, except such temporary structures as may be necessary for the storage of materials by or for the convenience of workmen and contractors during the erection of residences upon said Lots. No temporary structure of any kind, including those hereinabove set out shall be used on any Lot or site at any time as a residence either temporary or permanently. "Modular Homes" or similar types of dwellings shall not be constructed or placed upon any Lot or building site.

Section 5.10 Motor Vehicles, Trailers, Etc. Each Owner shall provide for parking of automobiles off the streets and roads within the Nags Head Shores Subdivision prior to occupancy of any Dwelling Unit. There shall be no outside storage or parking upon any Lot, or within any portion of the Common Areas of any: mobile home, trailer, motor home, tractor, truck (other than pickup trucks), commercial vehicles of any type, camper, motorized camper or trailer, motorized bicycle, motorized go-car, or any other related forms of transportation devices. Notwithstanding of the restrictions herein, temporary parking (not longer than seven (7) consecutive days) is permitted. These restrictions shall not apply to properly licensed and maintained boats and trailers.

ARTICLE VI

GENERAL PROVISIONS

Section 8.01 Duration and Amendment. The covenants and restrictions of this Declaration shall run with the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or amended as hereinafter provided. This Declaration may be amended with the written consent of sixty percent (60%) of the Owners and may be terminated with the consent of eighty percent



(80%) of the Owners; provided, however, this Declaration may not be amended or terminated without Declarant's consent for so long as Declarant owns any Lot nor shall any amendment purporting to revoke or curtail any right herein conferred to Declarant be effective unless executed by Declarant.

Section 8.02 Notices. Any notice required to be sent to Owner, under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Owner on the Dare County tax records at the time of such mailing. Notice to any one of the Owners, if title to a Lot is held by more than one, shall constitute notice to all Owners of a Lot.

Section 8.03 Enforcement. In the event of any violation or breach of any of the restrictions contained herein by any property owner or agent of such Owner, Declarant, its successors or assigns, or the Owners of Lots within the Subdivision or any of them, jointly or severally, (and any Homeowners' Association that may become incorporated in the future) shall have the right to proceed in law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach of any of the restrictions set out above, but before litigation may be instituted ten (10) days written notice of such violation shall be given to the Owner or his agent. The failure to enforce any right, reservation or condition contained in this Declaration, however, long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. The invalidation by any court of any restriction contained in this Declaration shall in no way affect any of the other restrictions, but they and each of them shall remain in full force and affect. In addition, the State of North Carolina as a beneficiary of the obligations set forth in the Lot coverage provisions of Section 4.03 shall have a right to enforce any violation of said Section.

Section 8.04 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 the Architectural Standards Committee 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 8.05 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

IN WITNESS WHEREOF, the Declarant has executed this Declaration of Protective Covenants under seal, the day and year below subscribed.

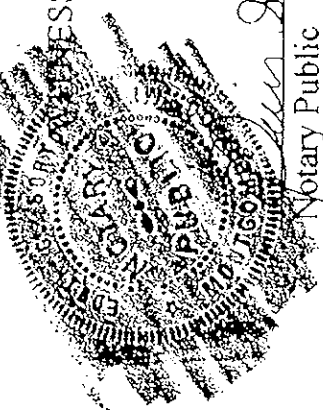
DECLARANT

BELFORD/SEAL DEVELOPMENT, LLC

By:  (SEAL)
Pete Belford, Manager

STATE OF MARYLAND
COUNTY OF

I, a Notary Public of the County and state aforesaid, certify that Pete Belford Manager of Belford/Seal, ^{Private} LLC, personally came before me this day and acknowledged the due execution of the foregoing instrument as the act and deed of the Limited Liability Company by authority duly given.

 I HEREBY CERTIFY my hand and official stamp or seal, this 24th day of April 2001.

Edwin G. Sorto
Notary Public

My commission expires:
EDWIN G. SORTO
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires November 10, 2001

G:\DATA\WP\DKhoury\Clients\business\BelfordSeal\LLC\ProtCovs.

State of North Carolina
County of Dare

The foregoing certificate of Edwin G. Sorto
A Notary Public of State of Maryland - montgomery Co.
is certified to be correct. This instrument and this certificate are duly registered at the
Date and Time in the Book and Page shown on the first page hereof.

Barbara M. Gray, Register of Deeds

By: Andrew Y. Sweet
Deputy Register of Deeds