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STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

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ROBERT J. ROBINSON
REGISTER OF DEEDS
BRUNSWICK COUNTY, N.C.

AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BALD HEAD ISLAND HARBOUR

THIS INSTRUMENT made and entered into this 1st day of June, 1994, by BALD HEAD ISLAND LIMITED, a Texas limited partnership, hereinafter referred to as "DECLARANT" and the HARBOUR ASSOCIATION OF BALD HEAD ISLAND, a North Carolina non-profit corporation, hereinafter "Association";

WITNESSETH:

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WHEREAS, the Declarant did, while owner of all that property in Bald Head Island Harbour as shown on that map filed in the Office of the Register of Deeds for Brunswick County in Map Cabinet R at Page 365, as amended, superseded or expanded by those Maps filed in the aforesaid Registry as follows: Map Cabinet S at Page 142, Map Cabinet S at Page 300, Map Cabinet U at Page 41, Map Cabinet U at Page 66, Map Cabinet U at Page 157, Map Cabinet W at Page 323, Map Cabinet X at Page 367, Map Cabinet Y at Page 61, Map Cabinet Y at Page 289 and Map Cabinet Y at Page 313, hereinafter "Maps of Bald Head Island Harbour", place those certain restrictive covenants recorded at the Brunswick County Registry in Book 697 at Page 267 as amended in Book 722 at Page 952 and in Book 808 at Page 358; and

WHEREAS, Article XI of said restrictive covenants provides that the covenants, conditions and restriction set forth therein may be amended by an instrument signed by the owners of not less than fifty (50%) percent of the lots existing at the time of such amendment; and

WHEREAS, an instrument has been duly executed by the owners of more than fifty (50%) of the now existing lots as shown on the Maps of Bald Head Island Harbour;

NOW, THEREFORE, it is declared that all of the property shown on the Maps of Bald Head Island Harbour are and shall be hereafter held, owned and conveyed subject to the provisions of this Declaration, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the real property which is the subject of these restrictions. The easements, restrictions, covenants and conditions contained herein shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in the hereinabove described property or any portion thereof and further shall inure to the benefit of any owner of any portion of the herein described property and shall further inure to the benefit of the DECLARANT. It is further declared that upon the recording of this Declaration, then this

REL. Eliz Cantrell
TOTAL 46.00 REV _____
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CK AMT 547.00 I 0145
CASH _____ REF. _____

Declaration shall be deemed the only Declaration governing and restricting the lots in the Bald Head Island Harbour and all other declarations and amendments thereto shall be deemed null and void.

ARTICLE I

Definitions

1. "Association" as used herein shall specifically refer to the Harbour Association of Bald Head Island as opposed to the Bald Head Association which shall be referred to as the Bald Head Association.

2. "Common Areas" shall be those areas designated as common areas on the Maps of Bald Head Island Harbour and shall include Leeward Court, Brinkman's Alley, Keelson Square, Windward Court, Pequod Alley, Tanbark Court, Turkshead Court, Row Boat Row, the 10-foot alley running between Tanbark Court and Turkshead Court, and Ebenezer's Alley, as shown on the Maps of Bald Head Island Harbour and any additional lands annexed thereto and designated as common areas pursuant to Article III hereof; provided, however that DECLARANT may dedicate any of the designated common areas which provide vehicular access to the Village of Bald Head Island as right-of-ways.

3. "DECLARANT" shall mean and refer to Bald Head Island Limited and those of its successors and assigns which acquire, through assignment, deed or otherwise substantially all of Bald Head Island Limited's remaining ownership interest in Bald Head Island and thereby become the Developer of Bald Head Island, if any, to whom the rights of Bald Head Island Limited hereunder are expressly transferred in whole or in part, subject to such terms and conditions as Bald Head Island Limited may, in its sole discretion, impose.

4. "Lot" shall mean and refer to any numbered plot of land as shown upon the Maps of Bald Head Island Harbour as the same may be amended from time to time in the office of the register of deeds for Brunswick County, North Carolina.

5. "Member" shall mean any person or entity who holds membership in the Harbour Association, including the DECLARANT.

6. "Owner" shall mean the record owner of any fee simple title to any lot, whether it be one or more persons or entities, including contract sellers, but excluding any person or entity whose interest is merely that of a lienholder for purposes of securing the performance of any obligation.

7. "Subject Property" shall mean that property shown as lots or common areas on the Maps of Bald Head Island Harbour recorded in Map Cabinet R at Page 365, as amended, superseded or expanded by those Maps filed in the aforesaid Registry as follows: Map Cabinet S at Page 142, Map Cabinet S at Page 300, Map Cabinet U at Page 41, Map Cabinet U at Page 66, Map Cabinet U at Page 157, Map Cabinet W at Page 323, Map Cabinet X at Page 367, Map

Cabinet Y at Page 61, Map Cabinet Y at Page 289 and at Map Cabinet Y at Page 313, including any property which shall hereafter be annexed to the provisions of these restrictions as provided in Article III herein.

ARTICLE II

Declaration Regarding Bald Head Island Covenants

1. The DECLARANT does hereby declare, subject to paragraph 2 below, that the property hereinabove described shall be held, sold and conveyed subject to Articles IV, V, VI, VII of that Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Stage I, as recorded in Book 498, page 260 of the Brunswick County Registry, as those Articles relate to membership in the Bald Head Association as established by the said Amended and Restated Declaration, assessment of lots by the Bald Head Association, and voting rights in the Bald Head Association by property owners. The DECLARANT further declares that each lot shall be an individual assessable lot as that term is defined in that Amended and Restated Declaration of Covenants, Conditions and Restrictions, recorded in Book 498 at Page 260 of the Brunswick County Registry, and that all rights and obligations appurtenant thereto shall inure to the purchasers and owners of any lot or lots including specifically the obligation to pay such assessments as shall be levied or assessed by the Bald Head Association. Every person who is a record owner of a fee or undivided fee interest in any lot in the Bald Head Island Harbour, shall be a member of the Bald Head Association. Ownership of such interest shall be the sole qualification for such membership

2. In the event that Chapter III, Section 3-2 of the Charter of the Village of Bald Head Island is amended or modified or declared invalid by a Court of competent jurisdiction or act of the North Carolina legislature, then the Harbour Association of Bald Head Island, upon an affirmative vote of its membership shall have the right to withdraw the Bald Head Island Harbour from the Bald Head Association and thereafter the Bald Head Island Harbour shall no longer be bound by any provisions of the Amended and Restated Declaration of Covenants, Conditions and Restrictions, recorded in Book 498 at Page 260 of the Brunswick County Registry.

ARTICLE III

Annexation of Additional Properties

1. Additional properties and improvements, including common areas, may be annexed to the subject property in the manner provided in this Article. Additional properties so annexed shall be merged with the property herein described and any other previously annexed properties. The additional annexed properties shall be subject to the provisions of this Declaration and to the Articles of Incorporation and bylaws of the Harbour Association. Upon annexation hereto such annexed properties shall become "subject property" as that term is used herein.

2. At any time prior to December 31, 2005, the DECLARANT may annex additional properties to the property described herein. Any annexed properties shall be located in close proximity to the property described herein or property theretofore annexed pursuant to this Article of this Declaration.

3. In addition to annexation by the Declarant as provided in Article III, Section 2 herein, other properties may be annexed at any time with the express consent of two-thirds (2/3) the members of the Association.

ARTICLE IV

Association Membership

1. Every person who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, including contract sellers but excluding any person or institution who holds an interest in the same merely as security for the performance of any obligation, shall be a member of the Association. Ownership of such interest shall be the sole qualification for such membership and no owner shall have more than one membership in the Association and there shall be only one vote per lot in the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment. The Board of Directors may make such reasonable rules as it may deem necessary with regard to proof of ownership.

2. The Association shall have a single class of voting membership. Members shall be entitled to one vote for each lot in which they hold the interest required for membership under this Article. When more than one person holds any interest in any assessable property, all such persons shall be members; however, the vote for each assessable property shall be exercised as may be determined between the owners of the lot but in no event shall more than one vote be cast with respect to any single lot and no fractional vote may be cast with respect to any lot.

3. The right of any member to vote may be suspended by the Board of Directors for just cause pursuant to its rules and regulations and pursuant to the provisions of this Declaration.

4. The affairs of this Association shall be managed by a Board of five (5) directors, who need not be members of the Association; provided, however, that until such time as seventy-five (75%) percent of the lots existing in the Bald Head Island Harbour have been conveyed by DECLARANT or until December 31, 2005 whichever first occurs, the Board shall consist of three (3) directors designated by DECLARANT. Should any of the directors appointed at any time by DECLARANT resign or be, for any reason, unable or unwilling to serve, his or her successor shall be appointed by DECLARANT.

ARTICLE V

Covenant for Assessments

1. Every owner of any lot by acceptance of a deed therefor, whether or not it shall be expressed in such deed or other conveyance, is deemed to covenant and agree to pay to the Association any annual assessments or charges assessed thereby and any special assessments for capital improvements, said assessments to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection, including reasonable attorney's fees as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the improvements against which each such assessment is made. Each such assessment, together with the interest, costs and reasonable attorney's fees, shall also be the personal obligation of the owner or owners of the lot at the time the assessment fell due. The personal obligation of an owner for delinquent assessments shall remain the personal obligation of the owner of a lot at the time that assessment became payable and shall not thereafter become the personal obligation of any successors in title to the subject lot; however, the lien upon the lot existing by virtue of unpaid assessments becoming payable prior to the date of conveyance shall remain a lien against the said lot until paid in full along with interest, costs and reasonable attorney's fees.

2. The assessments levied by the Association shall be used exclusively for the purpose of promoting the beautification of the property which is the subject of this Declaration, the recreation, health, safety and welfare of the owners and residents of the lots, the enforcement of these covenants and rules of the Association, for providing the services and facilities devoted to this purpose and related to the use and enjoyment of the common area, and in particular for the improvement and maintenance of the roadways, sidewalks, installation, maintenance and operation of lighting and landscaping of such common areas, including planting and maintenance of vegetation.

3. To and including December 31, 1994, the initial annual assessment shall not be in excess of \$100.00 per lot; however, the exact amount of the initial annual assessment shall be determined at the initial meeting of the Board of Directors. From and after December 31, 1994, the annual assessment shall be determined by the Board of Directors of the Association based upon an annual budget of expenditures for authorized purposes including reasonable reserves for major repairs, replacements and working capital; provided, however, that in no event, without a vote of the membership, shall the annual assessment exceed one percent (1.0%) of the assessed taxable value of each lot and appurtenant structure as determined from time to time by the Brunswick County taxing authorities. The maximum annual assessment may be increased by an affirmative vote of two-thirds (2/3) of the members who are entitled to vote at a meeting called for such purpose and the increased annual assessment shall be the maximum annual assessment unless increases shall thereafter be approved by two-thirds (2/3) of the members entitled to vote at a meeting called for such purpose. Written notice of all such meetings shall be given by the Board of Directors to all members not less than thirty (30) nor more than sixty (60) days in advance of the meeting, setting forth the date, time, place and purpose of the meeting. The provisions of this subsection shall not apply to nor be a limitation upon any change in the basic

and maximum assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

After consideration of the current maintenance costs and future needs of the Association, the Board of Directors shall fix the annual assessment at an amount not in excess of the maximum as determined in this section.

4. In addition to the annual assessments authorized herein, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purposes of defraying in whole or in part the cost of any new construction, acquisition of land, buildings or equipment, reconstruction of capital improvements or unexpected repair or replacement of capital improvements upon the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall be adopted by a two-thirds (2/3) affirmative vote of members voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be sent to all members not less than thirty (30) nor more than sixty (60) days in advance of the meeting, setting forth the time, place and purpose of the meeting.

5. Both annual and any special assessments must be fixed at a uniform rate for all lots on a per-lot basis and may be collected on a quarterly, semi-annual or annual basis.

6. At the first meeting called pursuant to Sections 3 or 4 of this Article, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all votes shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth in Sections 3 and 4 hereof, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. Such subsequent meetings shall be held within sixty (60) days following the preceding meeting.

7. The initial assessment provided herein shall be effective from the date of the first annual meeting through the end of the calendar year during which the meeting is held and shall be payable not later than the forty-five days following said meeting. For all annual assessments after the initial year, the Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of January 1st. Written notice of the annual assessment shall be sent to every owner of any lot at the address filed with the Board by the owner thereof, and every owner of a lot shall maintain on file with the Board a current mailing address for purposes of receipt of any notices required by this Declaration. The due dates for the annual assessment and any special assessments shall be established by the Board of Directors. Upon request the Association shall furnish a certificate in writing signed by an officer of the Association, setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot shall be binding upon the Association as of the date of its issuance.

8. Any assessments or portions thereof not paid by the due date as established by the Board of Directors shall be delinquent. If the assessment or portion thereof is not paid within thirty (30) days after the due date, the same shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum. The Association may bring an action against the owner personally obligated to pay the same or foreclose the lien against the property and, in either event, interest, costs and reasonable attorney's fees of such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the common area or abandonment of his lot.

9. The lien of the assessments provided for herein for any lot shall be subordinate to the lien of any first mortgage or mortgages. Sale or transfer of any lot shall not affect the assessment lien; however, the sale or transfer of any lot pursuant to mortgage, foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessment as to assessments which became payable prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE VI

Rights and Obligations of the Association

1. Every owner shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and pass with title to every lot subject to the right of the Association to establish, publish and enforce rules and regulations as provided by Article VIII of this Declaration.

2. The Association shall have the right, in accordance with its articles and bylaws, to borrow money for the purpose of improving common areas and facilities.

3. The Association shall have the right to suspend the voting rights and the right of use of any facilities located upon the common area of any member or any person to whom a member has delegated his voting right for any period during which any assessment against the lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of the rules and regulations published by the Association for use of the common areas;

4. The Association shall have, at all times, the right to dedicate and transfer all or any portion of the common area to any public agency, including the Village of Bald Head Island, or other public authority or utility for such purposes and subject to such conditions as the Board of Directors of the Association, in its discretion, shall determine, including the obligation to maintain the said common area and further subject to such restrictions or easements as shall attach to the common areas at the time of conveyance of the same to the Association by the DECLARANT.

3. Any owner may delegate, in accordance with the bylaws of the Association, his right of enjoyment to the common area and facilities to the members of his family, his tenants or contract purchasers, provided that, to the extent that such right of use is delegated, it shall be

delegated only to individuals residing on the said lot.

4. The DECLARANT hereby agrees, for itself, its successors and assigns, that it will convey fee simple title to the common areas as shown on the hereinbefore referenced maps to the Association free and clear of any liens and encumbrances, except that DECLARANT may convey any right-of-way to the Village of Bald Head Island and not to the Association. Said conveyance to be made at or prior to the conveyance of the seventy-fifth lot in Bald Head Island Harbour by DECLARANT. Title to the said common areas shall be conveyed subject to utility and drainage easements and easements to any utility company providing service to subject property, and shall further be subject to the easement provided herein to every owner, guest or tenant of an owner of ingress and egress to and from the lot. In the event that DECLARANT shall annex other properties to this Declaration pursuant to Article III, Section 2, of this Declaration, the DECLARANT will convey to the Association, upon the same terms and conditions, and for the said uses and purposes, the common areas which are part of any additional properties which are annexed to this Declaration.

5. The Association shall maintain all common areas as shown on the Maps of Bald Head Island Harbour including roadways, sidewalks, if any, medians, landscaping and vegetation located thereon, as well as install, maintain and operate street lights or signs located thereon, and the Association shall be solely responsible for selection of vegetation to be planted and maintained and the amount and form of lighting fixtures used to illuminate common areas until and unless the common areas shall thereafter be transferred or conveyed to another entity, including the Village of Bald Head Island, in which event the grantee shall undertake the obligations contained herein.

6. The Board of Directors of the Association shall have the power to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the common area not inconsistent with the rules and regulations provided herein. Such rules and regulations, along with any policy resolutions and actions taken by the Board of Directors, shall be recorded in a book of resolutions to be maintained by the Board of Directors in a place convenient to the owners and available to them for inspection during normal business hours.

7. No owner, tenant or guest of an owner shall use common areas or any portion thereof to provide parking for any individual vehicle of the owner or his tenants or guests, nor shall the same be used as parking for boats, trailers, campers or other vehicle. Parking of any boats, trailers, campers or other vehicles shall be upon the lot of the owner, his guest or tenant and shall only be pursuant to the rules and regulations of the Harbour Association as the same may be promulgated from time to time.

ARTICLE VII

Use Restrictions

It is the intent and purpose of the DECLARANT to maintain and develop the Harbour of Bald Head Island into an exclusive residential and commercial community and, at the same time, to retain for this section of the natural beauty of the existing tidal marshes and marina and maintain a coastal village atmosphere; and toward that end the following restrictions shall apply to all lots to which these restrictions shall now or in the future apply:

- a. No fuel tanks, garbage or trash receptacles or other storage receptacles shall be exposed to view from any point outside the boundary of the lot on which it is located. Each owner shall maintain and preserve his property in a clean, orderly and attractive appearance. Owners agree that they shall not permit the accumulation of garbage, trash or other refuse on the property, nor shall the same be used as a storage facility for abandoned or unusable items of personal property.
- b. No animals, livestock, poultry or other creature shall be raised, bred or maintained within the Harbour Subdivision except for cats, dogs or other household pets which may be kept or maintained provided that they are not kept, bred or maintained for any commercial purposes and are at all times under the direct control of the owner.
- c. Owners agree that they shall not remove, reduce, cut down or otherwise change or cause to be removed, reduced, cut down or changed the elevation of any sand dune or ridge, or both, within the subdivision upon their respective lots except with the written permission and consent of the DECLARANT.
- d. The installation of private wells for irrigation purposes or for any other purpose shall be prohibited except after submission of written plans including the location and depth of the proposed well have been submitted and approved in advance in writing by the DECLARANT. DECLARANT agrees that approval of such request shall not be unreasonably withheld and that the primary criteria in determining approval or disapproval of the location of any such well shall be the compatibility of the placement of such well with the location of wells and septic tanks or proposed wells and septic tanks on adjacent lots.
- e. No commercial sign, including "for rent", "for sale" or other similar signs shall be erected or maintained within the Harbour Subdivision without approval by the DECLARANT except for those lots heretofore designated as commercial-residential.
- f. No bulkheads, boat docks, ramps, lifts, or other improvements or appurtenances adjacent to the Marina, Creek or Marsh shall be constructed or installed without the express written consent and approval of DECLARANT.
- g. No obnoxious or offensive activity shall be carried on upon the subject property which

may be or become a nuisance or annoyance to adjacent property owners or the neighborhood in general.

ARTICLE VIII

Architectural Review and Control

1. There is hereby established the Bald Head Island Harbour Architectural Review Board, hereinafter "HARB". The HARB shall consist of not less than three (3) nor more than seven (7) members. DECLARANT shall determine the number of members required on the HARB and may, from time to time, change the number as it deems necessary. So long as DECLARANT owns ten (10%) percent or more of the lots in the Bald Head Island Harbour, DECLARANT shall select and remove all members of the HARB. Thereafter, the Board of Directors of the Association shall select and remove all members.
2. All lots as shown on the Maps of Harbour Village recorded in the Brunswick County Registry, have been classified on the said map as Types I, II, III, IV, IVa, IVb, V, Va, VI, VII, VIIa, VIII, IX or IXa which type classifications are incorporated herein by reference. The various setback and use restrictions applicable to each Type are contained in the "Urban Code - Bald Head Island Harbour".
3. The HARB shall be responsible for promulgating, interpreting and applying the "Urban Code" and the "Architectural Guidelines - Bald Head Island Harbour." Such guidelines show the architectural restrictions applicable to each Type Lot as shown on the hereinabove referenced maps.
4. In order that a maximum balance of view, privacy and breeze shall be available to each home located without the Subject Property and to assure that all structures shall be located appropriately on each lot, taking into consideration the topography and location of each lot, the site location of any residential structure shall be as determined by the HARB in accordance with the setback specifications contained in the "Urban Code" for each type lot. It being the intent of the DECLARANT that the "Urban Code" shall be used to designate the minimum distances for setback lines applicable to each type lot generally.
5. With the exceptions of lots numbered 1 through 3, 21 and 22 and 64 through 85, inclusive, all numbered lots shall be used for single family residential purposes only and no structure shall be erected, altered, placed or maintained upon such residential lots other than one detached single family dwelling constructed in accordance with the pursuant to requirements as contained in the "Urban Code" and "Architectural Guidelines" and outbuilding as permitted by the "Urban Code", and only such outbuildings as shall meet the specifications contained in the "Urban Code" and "Architectural Guidelines." Such outbuildings shall not be constructed prior to the construction of the main building.

6. Lots numbered 1 through 3, inclusive, and 21 and 22 are hereby designated as commercial/residential lots and, in addition to single-family residential structures, may be also used as commercial establishments for purposes of renting rooms to overnight guests for pecuniary gain so long as adequate off-street parking shall be provided by the owner thereof such that there shall be available one off-street parking space per room available for rental at any given time. Ancillary to the possible commercial enterprise of room rental, any owner may prepare, serve and charge for food and beverages served to the occupants of any room rented by the owner. In addition, incidental to the operation of such rental enterprise and with the express written consent of Declarant, the owner may be permitted offer for retail sale such items as toiletries, newspapers, magazines, post cards, playing cards, souvenirs, and other items for the convenience of its guests. Except as herein permitted, no residential/commercial lot shall prepare or serve food or meals for pecuniary gain, and no other commercial activities shall be conducted on any of the designated commercial/residential lots.

7. Lots numbered 66 through 85 inclusive, located along Keelson Row, may be used for construction and occupancy of single-family residential structures and, in addition thereto, may be used for construction of and occupancy by commercial or retail establishments or business offices with or without accompanying dwelling apartments.

8. No site preparation or initial construction, erection or installation of any improvements, including but not limited to residences or other buildings, outbuildings, fences, walls, or other structures, shall be undertaken upon any lot unless the plans and specifications therefor showing the nature, kind, shape, height, materials and location of the proposed improvements shall have been submitted to and approved in writing by the HARB. No subsequent alteration or modification of any existing improvements nor construction, erection or installation of additional improvements may be undertaken on any lot without prior review and express written approval of the HARB. Upon designation the HARB shall establish a reasonable procedure for review and approval or disapproval of site or design of any proposed improvements. The HARB shall review the proposed improvements for conformity to such criteria as the HARB shall find reasonable, shall publish a pamphlet setting forth the criteria established by the HARB for approval of any improvements and shall further set forth the procedure required for approval of the same which shall provide that the HARB shall approve or disapprove a submitted improvements plan within thirty (30) days after receipt of the complete final plans and specifications; and in the event that the HARB shall fail to act upon any plans submitted thereto within thirty (30) days after receipt of the complete final plans and specifications, the same shall be deemed to have been fully approved by the HARB.

9. Construction on lots within the Subject Property shall be governed by the following minimum requirements:

- a. Each building constructed on the Subject Property shall contain a porch or porches on the front of the said structure which shall be of the minimum lengths, widths, heights and depth as specified in the "Urban Code".

- b. Building heights shall be approved by the HARB in accordance with the guidelines set out in the "Urban Code" for the various type lots. The distances defined in the said "Urban Code" shall be the vertical distance between the average street level adjacent to the lot and any point specified on the structure as set forth in the "Urban Code."
- c. Prior to construction of any building on any lot, the owner thereof shall make adequate provision for parking thereon, providing the minimum space or spaces as required by the "Urban Code" and minimum access to such parking places as required by the "Urban Code." The location for parking spaces for each lot shall be approved by the HARB. The Dimensions of such spaces shall be those as required by the "Urban Code" for the type of lot designated on the above referenced maps.
- d. The exterior building walls and crawl space coverings shall be constructed of any permissible materials as listed on the Architectural Guidelines to the Bald Head Island Harbour.
- e. Roofing material used in any building or outbuilding constructed on the subject lots shall be of the materials and configurations permissible under the Architectural Guidelines and shall be subject to the general restrictions contained therein for roofs. Windows and doors to any buildings or outbuildings constructed on any lot shall be of materials and configuration set forth in the Architectural Guidelines and shall be installed for operation as set forth in the Guidelines and pursuant to the general restrictions as contained therein.
- f. Any exterior columns supporting porches or other structures shall be constructed of materials as set forth in the Architectural Guidelines and shall conform to the configuration requirements as set forth in the said Guidelines.
- g. Any fences, walls or other structure surrounding a lot and installed by an owner shall be constructed of materials as set forth in the Architectural Guidelines and shall have the height restrictions and configurations as set forth in the Architectural Guidelines.
- h. The exterior colors used to finish both outbuildings and residences constructed on lots, as well as any trim and windows or shutters shall be as set forth in the Architectural Guidelines.
- i. Any chimney installed in any residence located on any lot shall be as set forth in the Architectural Guidelines.
- j. Outbuildings shall not exceed the maximum size and shall meet the minimum specifications set forth in the "Urban Code" for the various type of lot. Outbuildings shall be located within the area of the lot as approved by the HARB.
- k. Construction of any residences and outbuildings shall be accomplished in such a manner as to conceal any conduit and pipe serving the said structure, window and wall-

mounted air conditioners or other air-handling machinery, and the same shall not be visible from any point beyond the boundaries of the said lot. Solar hot water or electrical apparatus, including but not limited to collectors, shall not be installed on any lot unless the same can be installed in such a manner as to prevent exposures of the same at all points beyond the boundaries of the lot on which the same is installed. No satellite dishes or other video, radio or microwave antenna, except for one citizens band radio antenna, shall be installed on any lot unless the same can be installed in such a manner as to prevent exposure of the same from any point beyond the bounds of the said lot.

10. Notwithstanding the restrictions and/or minimum requirements set forth herein, in accordance with Title 15 NCAC 2H.1003(a)(2), the following deed restrictions and protective covenants shall apply:

As to Transom Row Lots 40, 42, 44, 46, 48, 50, and 52; and Turk's Head Court Lots 80, 81, 82, 84, 86, 88, 90 and 107, no more than two thousand five hundred (2,500) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials; and,

As to Turk's Head Court Lots 92, 93, 94, 96, 98, 100, 102, 104, 106, 108 and 110, no more than three thousand one hundred (3,100) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials; and,

As to Transom Row Lots 54 and 56, no more than seven hundred (700) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials.

This covenant is intended to insure continued compliance with stormwater runoff rules adopted by the State of North Carolina and therefore benefits and may be enforced by the State of North Carolina. This covenant is to run with the land and shall be binding on all parties and all persons claiming under them.

11. The exterior of any building constructed on any lot shall be completed within six (6) months after commencement of construction. No temporary structures such as trailers, tents or mobile homes shall be placed on any lot except that in the course of the construction of any building located on any lot the contractor, builder or owner may have shelters or storage sheds used in the course of construction and for no other purpose, and such shelters or sheds shall be removed from the premises within ten (10) days after the issuance of a certificate of occupancy therefor.

ARTICLE IX*Easements*

1. The DECLARANT reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement within the development and the right on, over and under the ground to erect, maintain and use electrical and telephone poles, wires, cables, conduits, sewers, septic systems, water mains and other suitable equipment for the conveyance of electricity, telephone, gas, sewer, water or other public convenience or utility on, in and over the rear and front ten (10) feet of each lot and five (5) feet along the side of each lot or parcel within the Harbour Subdivision. All telephone, electrical and other utility lines and connections, including water and sewer lines, between the main utility line and any residence located on any lot or other buildings located on any building site shall be located underground and concealed so as not to be visible except for such related equipment which, by its nature, must be located above ground. The DECLARANT further reserves the right to locate any of the above said utilities or public conveniences on any common area before or after the same shall have been conveyed by the DECLARANT to the Association and which the DECLARANT, in its sole discretion, shall deem necessary or advisable.

2. The DECLARANT reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement within each lot in the Harbour Subdivision and the right on, over and under the ground to cut drainways for surface water and to grade any soil whenever and wherever such action may be deemed necessary by the DECLARANT to maintain reasonable standards of health, safety and appearance within the Harbour Subdivision. No property owner shall have the right to alter, fill or pipe any such drainway, grade or swale.

3. Lots 41, 43, 45, 57, 59, 51, 53, 55, and Keelson Row Lots 66 through 85 inclusive, border on the Bald Head Island Marina, which has heretofore been bulkheaded by DECLARANT. DECLARANT reserves an easement on, across, over and under the rear twenty feet (20') of Lots numbered 41, 43, 45, 47, 49, 51, 53, 55 and Keelson Row Lots 66 through 85 inclusive, for the purpose of installing, repairing, maintaining or performing any work whatsoever on the said bulkhead. DECLARANT reserves the right to excavate under the areas included in the above reserved easements and the incident right to uproot and destroy shrubbery, plantings and vegetation and other items located within the easement as necessary to maintain, install, repair or perform other work on the said bulkhead without incurring liability to the owner therefor. DECLARANT reserves the right to maintain, install, repair and perform other work on the said bulkhead as the DECLARANT, in its discretion, sees fit without undertaking any obligation to do so and without representation to any owner that DECLARANT shall be at any time hereafter required to maintain the same or to maintain the lateral support of any lot provided thereby.

4. In the event that by reason of construction, settlement, reconstruction or shifting of any existing structure located on Lots 6A, 9, 12, 13, 18, 19 and 20, any such existing structure either violates a setback requirement or encroaches upon any of the road rights-of-way or alleys, whether the same now exist or may be caused or created by existing construction, settlement or movement of the structures or by permissible repairs, construction or alteration, there is hereby

granted and created a valid easement for such encroachment for the existing structures located on Lots 6A, 9, 12, 13, 18, 19 and 20 into or upon any setback requirement and/or such encroachment into or upon and such road right-of-way or alley which such easement shall inure to and exist for the benefit of the owner of such encroaching existing structure so long as such existing structure shall remain standing on the said Lots 6A, 9, 12, 13, 18, 19 and 20. Nothing herein shall be construed or interpreted to allow any owner of any of the lots referred to in this paragraph to make additions to any of the structures located on these lots which such additions shall violate the setback requirements or encroach into any road rights of way or alleys but pertains only the structures now located on the lots and any reconstruction thereof.

5. So that appurtenant outbuildings may be constructed immediately upon the sideline of any lot, there is hereby granted to the owner of any lot an easement for the purposes of the overhang of an eaves of an outbuilding so long as the said outbuilding shall be located within the area permitted for the same by the HARB in accordance with the "Urban Code" and shall be constructed to the specifications therefor. Said easement shall be appurtenant to and run with fee simple title to the lot and shall be for the purpose of location of the eaves of an outbuilding extending no more than eighteen inches (18") over the property line of an adjacent lot or street or alley and shall further include the right of ingress and egress as necessary to repair, replace or maintain the said roof, eaves or the side of any outbuilding located immediately adjacent to such property line.

6. The common areas, including roadways, shown on the recorded Maps of Bald Head Island Harbour are, at the time of the recording of this Declaration, the property of the DECLARANT, and the DECLARANT does hereby give, grant and convey to all owners of lots a perpetual non-exclusive easement appurtenant to and running with the land of any such owner to use such roadways or common areas for ingress, egress and regress subject to the provisions of this subsection. The DECLARANT does not agree, by the granting of this easement, to maintain or improve the common areas or roadways shown on the said map. Such conveyance shall be subject to the right hereby retained by the DECLARANT to subject the said common areas or roadways to easements for purposes of utilities and drainage and the said right to install and maintain such utilities shall be fully alienable and assignable by the DECLARANT.

ARTICLE X

Notice of Default - Mortgagee's Rights

1. In the event that any owner is in default in any obligation hereunder which remains unpaid for a period of thirty (30) days, any lender who is a first mortgagee as to the lot of the defaulting owner and the insurer of such first mortgage shall be immediately notified of such default, provided that such lender or insurer shall have given notice to the Association that it is a first mortgagee or insurer as to the lot of such member and shall have requested notice of default as set forth hereunder.

2. Every first mortgagee or insurer of a first mortgage of the lot or member of the Association shall have the right, during regular business hours, to examine the books and records of the Association with respect to any lot in which they shall have a security interest.

ARTICLE XI

Miscellaneous Provisions

1. Nothing herein shall be construed to prevent the Association from conveying to the Village of Bald Head Island any common areas or streets hereafter conveyed by the DECLARANT to the Village of Bald Head Island; however, such conveyance shall at all times be subject to the easement granted herein to the owners for ingress and egress to and from their lot and shall further be at all items subject to the right of the DECLARANT, its successors or assigns, to subject the same to easement for purposes of installation, maintenance, and repair of any utilities servicing the subdivision or any surrounding or adjacent properties.

2. Any property adjacent to the subject property remains the property of the DECLARANT and the DECLARANT reserves the right to develop or convey and use the same in such manner as the DECLARANT shall, in its sole discretion, see fit at any time in the future. All owners, by acceptance of any deed conveying title to any lot from the DECLARANT, acknowledge that the same does not convey any implicit or express easement for view, breeze or other burden upon any adjacent properties which shall limit or in any manner restrict the right of the DECLARANT, its successors and assigns, to develop, convey and use any adjacent properties in a manner such as the DECLARANT, its successors and assigns, shall, in its sole discretion, determine.

3. The covenants, conditions 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, the owner of any lot or parcel subject to this Declaration, or the DECLARANT for so long as it shall own one or more lots, their respective legal representatives, heirs, successors and assigns, for a term of twenty-five (25) years from the date this Declaration shall be recorded after which time said covenants shall be automatically extended for successive periods of ten (10) years.

4. This Amended and Restated Declaration of Covenants, Conditions and Restrictions may be amended by an instrument signed by the owners of not less than fifty percent (50%) of lots existing at the time of such amendment; provided, however, that the Board of Directors of the Association may amend this Declaration to correct any obvious error or inconsistency in drafting, typing or reproduction without action or consent of the owners and such amendment shall be certified as an official act of the Board and recorded in the office of the Register of Deeds for Brunswick County. Any instrument amending these covenants, conditions and restrictions other than an amendment by the Board to correct an error or inconsistency in drafting, typing or reproduction shall be delivered, following execution by the owners, to the Board of Directors of this Association. Thereupon, the Board of Directors shall, within 30 days after delivery, reasonably assure itself that the amendment has been executed by the required number

of owners of lots as provided in the preceding section, and in doing so the Board may rely on its roster of members and shall not be required to cause any title to any lot to be examined by any person. After reasonably assuring itself of the above, the Board shall attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed and it shall certify that the said instrument has been duly executed by the owners of not less than fifty percent (50%) of the lots as shown on the maps hereinabove referenced and is, therefore, a valid amendment to the existing covenants, conditions and restrictions for the Bald Head Island Harbour. Upon execution of the said certification, the Board shall cause the same to be recorded in the office of the Registry of Deeds for Brunswick County within a period of ten (10) days.

All amendments shall be effective from the date of recordation in the office of the Register of Deeds for Brunswick County; provided, however, that no such instrument shall be valid until the same shall have been indexed in the name of the Association. When any such instrument purporting to amend the covenants, conditions and restriction has been certified by the Association, recorded and indexed as herein provided, it shall be presumed that such instrument constitutes a valid amendment binding on the owners of all lots within the Bald Head Island Harbour.

5. No lot within the subdivision shall be subdivided or its boundary lines changed, nor shall any structure erected on any lot be subjected to Declaration of Condominium except through the written consent of the DECLARANT; provided, however, that any two property owners may jointly purchase and divide a lot between their respective lots, but in such event the lot then shall cease in perpetuity to be a lot within the subdivision and shall merge into the ownership of the respective adjoining property owners in the ratio of their division and such division must be recorded in writing with the DECLARANT and made a part of its developmental files.

6. The DECLARANT, without consent or approval of any owner, shall have the right to amend this Declaration to conform to the requirements of law or any governmental entity or agency having jurisdiction over the Village of Bald Head Island or Bald Head Island Harbour to qualify the subdivision or any lots and any other property shown therein and improvements thereon for mortgage or improvement loans made by, guaranteed by, sponsored by or insured by any governmental agency or entity or to comply with requirements of law or regulation of any corporation or agency belonging to, sponsored by or under the substantial control of the United States Government or the State of North Carolina regarding purchase of such lots or other assessable property and improvements or mortgage interests therein, as well as any other requirement or regulation relating to the control of the subject property, including without limitation ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare. A letter from any official of any corporation or agency, including without limitation the Veterans Administration, U.S. Department of Housing and Urban Development, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, the Federal National Mortgage Association, or any agency of the State of North Carolina, requiring an amendment as a condition of approval or suggesting an amendment shall be sufficient evidence of the requirement of such amendment by such corporation or agency.

However, no such amendment, pursuant to this section, shall be effective until duly recorded in the office of the Register of Deeds for Brunswick County.

7. The Board of Directors of the Association may amend this Declaration as shall be necessary and without the consent of any owner in order to qualify the Association or any portion thereof for tax-exempt status. Such amendment shall become effective upon the date of its recordation in the office of the Register of Deeds for Brunswick County.

8. The DECLARANT hereby reserves the right to assign or transfer, in whole or in part, any of its rights and obligations hereunder, and subject to such terms and conditions as the DECLARANT may impose, by a written declaration recorded in the office of the Register of Deeds for Brunswick County.

9. The Association or any owner or the DECLARANT, so long as the DECLARANT shall own one or more lots subject hereto, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so hereafter. Invalidation of any of these covenants or restrictions by judgment or other court order shall in no manner affect the validity of other provisions which shall remain in effect.

10. Invalidation of any of these covenants or restrictions by judgment or court order shall, in no manner, affect any other provisions hereof which shall remain in full force and effect.

IN WITNESS WHEREOF, BALD HEAD ISLAND LIMITED has executed this instrument as of the day and year first above written.

BALD HEAD ISLAND LIMITED

By:  (SEAL)

David A. Busfield
Attorney in Fact

STATE OF NORTH CAROLINA,

BRUNSWICK COUNTY

I, Elizabeth T. Cantrell, a Notary Public for said County and State, do hereby certify that David A. Busfield, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 842 at Page 87, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said David A. Busfield acknowledged the due execution of the foregoing an annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.



WITNESS my hand and official seal, this the 1st day of June, 1994.

Elizabeth J. Cantrell
Notary Public

My commission expires: 12-11-96

CERTIFICATION OF VALIDITY OF AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BALD HEAD ISLAND HARBOUR

By authority of its Board of Directors, Harbour Association of Bald Head Island hereby certifies that the foregoing instrument has been duly executed by the owners of not less than fifty percent (50%) of the lots existing as of the date thereof, and is therefore a valid amendment and restatement of the Declaration of Covenants, Conditions and Restrictions of Bald Head Island Harbour.

This the 1st day of June, 1994.

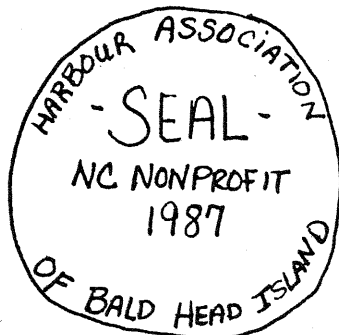
HARBOUR ASSOCIATION
OF BALD HEAD ISLAND

ATTEST:

Sandra L. Daily
Secretary

BY:

[Signature]
President

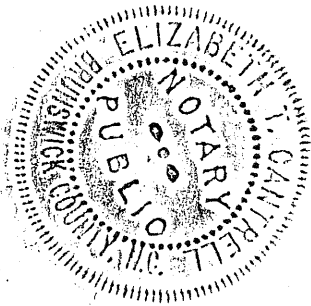


STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

I, Elizabeth T. Cantrell, a Notary Public of the County and State aforesaid, do hereby certify that Sandra L. Darby personally came before me this day and acknowledged that she is Secretary of Harbour Association of Bald Head Island, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Secretary.

Witness my hand and official seal this 1st day of June, 1994.



Elizabeth T. Cantrell
Notary Public

My commission expires December 11, 1996.

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of Elizabeth T. Cantrell

Notary(ies) Public (is)(are) Certified to be Correct.

This Instrument was filed for Registration on the Day and Hour in the Book and Page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

DET. Lee Carter 91 1022
TOTAL 10.00
TO # 38 2013
CK 30.00 0171
CASH _____
BY _____

AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR BALD HEAD ISLAND HARBOUR

FILED FOR REGISTRATION
BOOK 991 PAGE 1022
JUL 19 PM 3:42

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the owner and developer of that certain real property on Bald Head Island known as Bald Head Island Harbour, Brunswick County, North Carolina; and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Deed Book 985 at Page 384, Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour; and,

WHEREAS, Article XI, Section 6 of said Declaration provides as follows:

"The Declarant, without the consent or approval of any other owner, shall have the right to amend this Declaration to conform to the requirements of law or any governmental entity or agency having jurisdiction over the Village of Bald Head Island or Bald Head Island Harbour . . . including without limitation ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare, . . . or any agency of the State of North Carolina requiring an amendment as a condition of approval or suggesting an amendment, shall be sufficient evidence of the approval of such amendment by such corporation or agency."

WHEREAS, Bald Head Island Limited, as developer and Declarant of said property known as Bald Head Island Harbour as more particularly described in the aforesaid Declaration, was required, in accordance with Title 15 NCAC 2H.1003(a)(2), to record certain restrictions and protective covenants pertaining to the impervious coverage of lots in Bald Head Island Harbour; and,

CO 032

WHEREAS, the State of North Carolina has, in writing, notified Declarant that it requires amendment of the aforesaid Declaration in connection with such protective covenants pertaining to impervious coverage as a condition of approval.

NOW, THEREFORE, Declarant, Bald Head Island Limited, hereby declares that the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, dated June 1, 1994 and duly recorded in the Brunswick County Registry at Book 985, Page 384, et. seq., shall be amended as follows:

ARTICLE VIII, Section 10 shall be amended to include the following language:

"This covenant cannot be altered, modified, rescinded, or added to without the written consent of the State of North Carolina, Division of Environmental Management."

ARTICLE XI, Section 4 shall be amended to include the following language:

"Nothing contained herein shall be construed to authorize or permit the amendment, modification, or rescission of Article VIII, Section 10, without the written consent of the State of North Carolina, Division of Environmental Management."

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed as of the day and year first above written.

BALD HEAD ISLAND LIMITED

By: David A. Busfield (SEAL)
David A. Busfield
Attorney in Fact

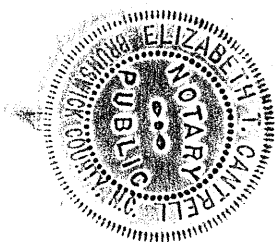
STATE OF NORTH CAROLINA,

BRUNSWICK COUNTY

I, Elizabeth T. Cantrell, a Notary Public for said County and State, do hereby certify that David A. Busfield, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 842 at Page 87, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said David A. Busfield acknowledged the due execution of the foregoing an annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 11th day of July, 1994.



032

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Elizabeth T. Cantrell
Notary Public

My commission expires: December 11, 1996

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of

Elizabeth T. Cantrell

Notary(ies) Public (is)(are) Certified to be Correct.

This Instrument was filed for Registration on the Day and Hour in the Book and Page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

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STATE OF NORTH CAROLINA

COUNTY OF BRUNSWICK

FILED FOR REGISTRATION
BOOK 1011 PAGE 199

94 DEC -5 AM 9:28

ROBERT J. ROBINSON
REGISTER OF DEEDS
BRUNSWICK COUNTY, N.C.

DECLARATION OF ANNEXATION
FOR BALD HEAD ISLAND HARBOUR

THIS INSTRUMENT, made and entered into this 30th day of November, 1994 by
BALD HEAD ISLAND LIMITED, a Texas Limited Partnership, Declarant.

WITNESSETH

WHEREAS, Bald Head Island Limited is the owner of that certain tract or parcel of land, located within the Village of Bald Head Island, Smithville Township, Brunswick County, North Carolina, and more particularly described as Bald Head Island Harbour; and,

WHEREAS, Bald Head Island Limited has caused a portion of the Bald Head Island Harbour to be replatted, providing for the annexation of additional lands owned by Declarant being shown and described as Lot 54A, and Lot 54B on plat of survey prepared by Thomas W. Morgan, R.L.S., incorporated herein and made a part hereof by reference, duly recorded in the office of the Register of Deeds for Brunswick County, North Carolina, in Map Cabinet Z, Instrument Number 118; and,

WHEREAS, the said property known as BALD HEAD ISLAND HARBOUR is subject to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions For Bald Head Island Harbour recorded in Book 985 at Page 384 as amended in Book 991 at Page 1022, in the Office of the Register of Deeds for Brunswick County, North Carolina; and,

WHEREAS, BALD HEAD ISLAND LIMITED is the Declarant of the above referred to Declaration; and

WHEREAS, Article III of said Covenants provides that Declarant may annex additional properties to the Property;

NOW, THEREFORE, Declarant, the owner of the fee simple title to said additional land described as Lots 54A and 56A, Bald Head Island Harbour, as hereinabove more particularly described and as shown on said plat of survey, hereby declares as follows, to-wit:

1. That said property hereinabove described as Lots 54A and 56A are and shall be annexed to, held, transferred, sold and conveyed subject to the Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour as amended from time to time; and,

RET. E. Cartell
TOTAL 10.00
TO # 38 # 17266
CK 318 0213
CASH _____

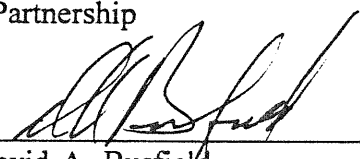
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2. That the said Lots 54A and 56A are intended to be combined with and made part of other platted, numbered lots in the Bald Head Island Harbour and shall not be considered separate lots for assessment, building, or other purposes; and,

3. The said property annexed herein shall be subject to all terms, requirements and conditions of said Declaration and all amendments thereto, the provisions of which are hereby incorporated as though fully set forth herein.

IN WITNESS WHEREOF, BALD HEAD ISLAND LIMITED has executed this Instrument on the day and year first above written.

BALD HEAD ISLAND LIMITED, a Texas
Limited Partnership

BY:  (SEAL)
David A. Busfield,
Attorney-in-Fact

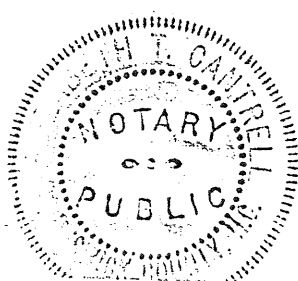
STATE OF NORTH CAROLINA,


BRUNSWICK COUNTY

I, Elizabeth T. Cantrell, a Notary Public for said County and State, do hereby certify that David A. Busfield, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 842 at Page 87, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said David A. Busfield acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 30th day of November, 1994.




Notary Public

My commission expires: 12-11-96

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate is a true and correct copy of the original as the same appears from the records of the County of Brunswick, State of North Carolina.

Elizabeth T. Cantrell

STATE OF NORTH CAROLINA

FILED FOR REGISTRATION
BOOK 1092 PAGE 196

COUNTY OF BRUNSWICK

96 JUN -3 PM 4:29

CORRECTION TO AMENDED AND RESTATED DECLARATION
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BALD HEAD ISLAND HARBOUR, BRUNSWICK COUNTY, N.C.

THIS CORRECTION to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, dated for reference only this 1st day of April, 1996, is entered into by Bald Head Island Limited, a Texas limited partnership ("Declarant"), with Joinder of Mark D. Mitchell and Rachel T. Gonsalves and Stephen A. Gonsalves, residents of Brunswick County, North Carolina ("Owners").

WITNESSETH:

000084

WHEREAS, Declarant did, by Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour recorded in Book 697, Page 267, et. seq., Brunswick County Registry ("Original Declaration") subject certain properties named therein to such Original Declaration, reserving the right to annex additional properties thereto; and

WHEREAS, by Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald head Island Harbour recorded in Book 985, Page 384, et. seq., Brunswick County Registry ("Amended Declaration"), Declarant did amend and replace the terms, provisions and conditions of the Original Declaration, and included therein the Annexation of Lots 86 and 87, as shown on the Plat recorded in Map Cabinet U, Page 66, Brunswick County Registry ("Plat"); and

WHEREAS, at the time of such annexation and currently Owners were the Owners of Lots 86, and 87 as shown on the Plat; and

WHEREAS, Lots 86 and 87 were conveyed to Owners subject to the original Declaration; and

WHEREAS, the Amended Declaration, in accordance with its terms, proports to limit the utilization of the lots shown on the Plat to single family utilization only, and the Amended Declaration further is not specific in applying its terms, provisions and conditions to the lots shown on the Plat; and

WHEREAS, Declarant wishes to correct the Amended Declaration as relates to the Plat, with joinder of Owners so as to make clear

RET	Liz Cantrell	
TOTAL	16.00	REV
TC#	17	REC# 41769
CK AMT	706.00	#0495
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BY	gn	

the intent of Declarant in subjecting the property shown on the Plat to the terms, provisions and conditions of the Amended Declaration; and

NOW, therefore, Declarant, with joinder of Owners, hereby amends and clarifies the Amended Declaration as follows:

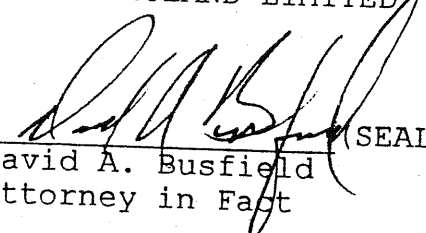
1. "Annexation" shall mean that the parties hereto acknowledge that the property shown on the Plat are and have been annexed into the Association, and therefore are entitled to the privileges granted by such annexation, and as limited hereinafter, are subject to the terms, provisions and conditions of the Amended Declaration.
2. "Use Restrictions" shall mean that Lots 86 and 87 as shown on the Plat may be used for construction and occupancy of single family residential structures, and in addition thereto, may be used for construction of and occupancy by commercial or retail establishments or business offices with or without accompanying dwelling apartments, except that no real estate sales, rental or property management offices may be conducted therefrom.
3. "Controlling and Provision" shall mean the provisions contained in this instrument shall be controlling and shall take precedent over any conflicting provisions as contained in the Amended Declaration. However, except for any such conflict, all of the terms, provisions and conditions of the Amended Declaration shall be fully applicable to the lots as shown on the Plat.
4. "Dues and Assessments" shall mean that, notwithstanding any other provision contained in the Amended Declaration, no dues or assessments shall be payable by the Owner of the lots as shown on the Plat to either the Harbour Association of Bald Head Island or Bald Head Association on or before those dues or assessments payable for any fiscal year beginning on or after January 1, 1996.
5. "Approval" shall mean Declarant hereby acknowledges that the structures and improvements constructed on the lot as shown on the Plat have been constructed in accordance with all applicable architectural guidelines, have been approved and are in conformance with applicable architectural guidelines.
6. "Definitions" shall mean that the terms defined in the Amended Declaration shall have the same defined meaning herein.

The parties hereto acknowledge that notwithstanding the designation of Lots 86 and 87 as Type VI on the Plat, the Bald Head Island Harbour Architectural Review Board may apply building

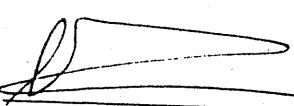
standards, including height and setback standards, applicable to lots designated as Type III for purposes of application of the Urban Code. The parties hereto further acknowledge and agree that the Bald Head Island Harbour Architectural Review Board shall be entitled to exercise such flexibility in application of the standards as contained in the Urban Code as may be necessary to allow reasonably the uses permitted herein to be conducted from lots as shown on the Plat.

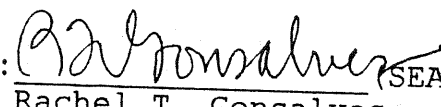
IN WITNESS WHEREOF, BALD HEAD ISLAND LIMITED has executed this instrument as of the day and year first above written, and Owners have joined herein to acknowledge their consent hereto.

BALD HEAD ISLAND LIMITED

By:  (SEAL)
David A. Busfield
Attorney in Fact

By:  (SEAL)
Mark D. Mitchell

By:  (SEAL)
Stephen A. Gonsalves

By:  (SEAL)
Rachel T. Gonsalves

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

I, Elizabeth T. Cantrell, a Notary Public for said County and State, do hereby certify that David A. Busfield, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being duly sworn, says that he executed the foregoing and annexed

instrument for and in behalf of the said Bald head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1021 at Page 1089, and that this instrument was executed under and power of attorney.

I do further certify that the said David A. Busfield acknowledged the due execution of the foregoing and annexed instrument for the purpose therein expressed for and in behalf of the said Bald Head island Limited.

WITNESS my hand and official seal, this the 28th day of May, ~~April~~



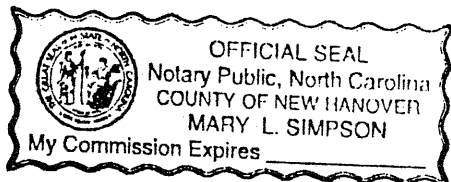
Elizabeth J. Centrell
Notary Public

Commission Expires: 12-11-96

STATE OF NORTH CAROLINA
COUNTY OF ~~BRUNSWICK~~ New Hanover

I, Mary L. Simpson, a Notary Public for said County and State, do hereby certify that Mark D. Mitchell, personally appeared before me this 30th day of May, 1996 and acknowledged the due execution of the foregoing instrument for the purpose therein expressed.

WITNESS my hand and official seal, this the 30th day of April, may 1996.



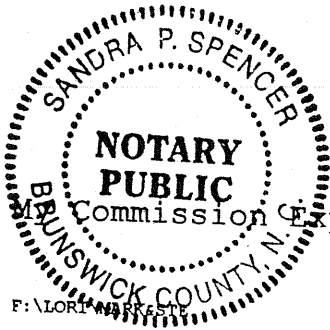
Mary L. Simpson
Notary Public

My Commission Expires: 2/27/2000

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

I, Sandra P. Spencer Notary Public for said County and State, do hereby certify that Stephen A. Gonsalves and Rachel T. Gonsalves, personally appeared before me this 15th day of April, 1996, and being duly sworn, says that they executed the foregoing and annexed instrument for the purpose therein expressed.

WITNESS my hand and official seal, this the 15th day of April, 1996.



Sandra P. Spencer
Notary Public

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of Elizabeth T. Cantrell, Mary L. Simpson,
Sandra P. Spencer

Notary(ies) Public is (are) Certified to be Correct.
This Instrument was filed for Registration on this 3rd Day of June, 1996,
in the Book and Page shown on the First Page hereof.

Robert J. Robinson /d/
ROBERT J. ROBINSON, Register of Deeds

FILED
BRUNSWICK COUNTY NC
By. 11/25/97 4:04 PM
ROBERT J. ROBINSON
Register Of Deeds

AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR BALD HEAD ISLAND HARBOUR

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the owner and developer of that certain real property on Bald Head Island known as Bald Head Island Harbour, Brunswick County, North Carolina; and;

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 985 at Page 384, Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour; and,

WHEREAS, Article XI, Section 6 of said Declaration provides as follows:
"The Declarant, without the consent or approval of any other owner, shall have the right to amend this Declaration to conform to the requirements of law or governmental agency having legal jurisdiction over the Property . . . including without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare, . . . or any agency of the State of North Carolina requiring an amendment as a condition of approval, or suggesting an amendment, shall be sufficient evidence of the approval of such amendment of by such corporation or agency."

Document #
0000122

WHEREAS, Bald Head Island Limited, Declarant and developer of the hereinafter described lots as shown on that certain plat of survey recorded in the aforesaid Registry in Map Cabinet Y at Page 313, is required, in accordance with Title 15 NCAC 2H.1003(a)(2), to record certain restrictions and protective covenants pertaining to the impervious coverage of said lots;

NOW, THEREFORE, Declarant, Bald Head Island Limited, hereby declares that in accordance with Title 15 NCAC 2H.1003(a)(2), the following DEED RESTRICTIONS AND PROTECTIVE COVENANTS shall apply:

As to Lot #41, no more than two thousand four hundred fifty-four (2454) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials, but not including open wood decking; and,

As to Lots #43, 45, 47, 49, 51 and 53, no more than two thousand thirty-six (2036) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials, but not including open wood decking; and,

As to Lot #55, no more than two thousand six hundred twenty-two (2622) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials, but not including open wood decking.

RET Liz Cantrell
TOTAL 10.00 REV TC# 24896
REC# 38 CK AMT 4050 CK# 1007
CASH REF BY CJ

This covenant is intended to insure continued compliance with stormwater runoff rules adopted by the State of North Carolina and therefore benefits and may be enforced by the State of North Carolina. This covenant is to run with the land and shall be binding on all parties and all persons claiming under them.

The covenants pertaining to stormwater regulations may not be changed or deleted without concurrence of the State. Runoff from all impervious areas of the designated lots must be directed into the system. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the State. Lots within the Coastal Area Management Act's Area of Environmental Concern may be subject to a reduction in their allowable built-up area due to CAMA regulations.

This amendment is intended to supercede and replace the Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, recorded in the Office of the Register of Deeds for Brunswick County, North Carolina, on September 11, 1997 in Book 1169 at Page 1129, which Amendment failed to include the preceding paragraph as required by the State of North Carolina.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized officers and its corporate seal to be hereunto affixed this the 19th day of November, 1997.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

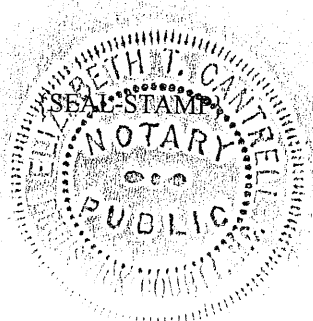
By: [Signature] (SEAL)
Kenneth M. Kirkman
Attorney in Fact

STATE OF NORTH CAROLINA,
BRUNSWICK COUNTY

I, Elizabeth T. Cantrell, a Notary Public for said County and State, do hereby certify that Kenneth M. Kirkman, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 916, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Kenneth M. Kirkman acknowledged the due execution of the foregoing an annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 19th day of November, 1997.



[Signature]
Notary Public

My commission expires: December 11, 2001.

THIRD AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR BALD HEAD ISLAND HARBOUR

THIS THIRD AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BALD HEAD ISLAND HARBOUR is made as of the 9th day of March, 1999, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the owner and developer of that certain real property on Bald Head Island known as Bald Head Island Harbour, Brunswick County, North Carolina; and;

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 985 at Page 384, Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, and has further caused to be recorded in said Registry in Book 991 at Page 1022, and in Book 1185 at Page 928, certain Amendments to said Amended and Restated Declaration; and,

WHEREAS, Article XI, Section 6 of said Declaration provides as follows:
"The Declarant, without the consent or approval of any other owner, shall have the right to amend this Declaration to conform to the requirements of law or governmental agency having legal jurisdiction over the Property . . . including without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare, . . . or any agency of the State of North Carolina requiring an amendment as a condition of approval, or suggesting an amendment, shall be sufficient evidence of the approval of such amendment of by such corporation or agency."; and,

WHEREAS, Bald Head Island Limited, Declarant and developer of the hereinafter described Lot, as shown on that certain plat of survey recorded in the aforesaid Registry in Map Cabinet Y at Page 313, has, in accordance with Title 15 NCAC 2H.1003(a)(2), recorded certain restrictions and protective covenants pertaining to the impervious coverage of said lots, and is required to record amended covenants should the identification or proposed use of said lots change;

NOW, THEREFORE, Declarant, Bald Head Island Limited, hereby declares that in accordance with Title 15 NCAC 2H.1003(a)(2), the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, dated June 1, 1994, and recorded in the Brunswick County Registry in Book 985, Page 384, as heretofore amended, are further amended as follows:

As to Lot #198, as shown on that plat of survey for Bald Head Island Harbour, recorded in Map Cabinet 17, Page 176 of the Brunswick County Registry, which Lot was formerly identified as Lot #58 in the permit issued by the State of North Carolina for Stormwater Project No. SW8 940417, no more than three thousand (3000) square feet shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate or similar materials, and said Lot shall be used for single-family residential purposes.

RET Judy
TOTAL 10 REV 10 TC# 154
REC# 16 CK AMT 10 CK# 154
CASH 10 REF 10 BY JS

This Amendment is intended to insure continued compliance with stormwater runoff rules adopted by the State of North Carolina and therefore benefits and may be enforced by the State of North Carolina. The covenants contained herein are to run with the land and shall be binding on all parties and all persons claiming under them.

The covenants pertaining to stormwater regulations may not be changed or deleted without concurrence of the State. Runoff from all impervious areas of all designated Lots must be directed into the system. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the State. Lots within the Coastal Area Management Act's Area of Environmental Concern may be subject to a reduction in their allowable built-up area due to CAMA regulations.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized attorney in fact, under seal, this the 9th day of March, 1999.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

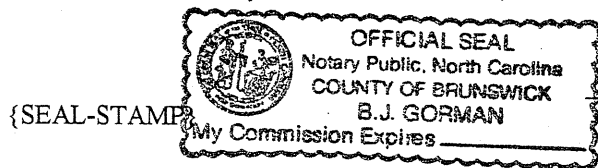
By [Signature] (SEAL)
M. Kent Mitchell
Attorney in Fact

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, B.J. Gorman, a Notary Public for said County and State, do hereby certify that M. Kent Mitchell, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 912, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said M. Kent Mitchell acknowledged the due execution of the foregoing an annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 9th day of March, 1999.



B.J. Gorman
Notary Public
My commission expires: 3/10/03

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of B.J. Gorman

Notary(ies) Public is (are) Certified to be Correct.

This Instrument was filed for Registration on this 11 Day of March, 1999
n the Book and Page shown on the First Page hereof.

[Signature]
ROBERT J. ROBINSON, Register of Deeds

SUPPLEMENTAL DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
THE PENINSULA
AT HARBOUR VILLAGE

This Supplemental Declaration is dated for purposes for reference only this 15th day of APRIL, 1999, and is entered into by Bald Head Island Limited, a Texas limited partnership, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of all of Lots 200 - 224 (even numbers only), Bald Head Island Harbour, as shown in Map Cabinet Y, Page 313, Brunswick County Registry, as well as all rights-of-way and certain other properties shown on said plat, said rights-of-way and other properties being currently unimproved; and

WHEREAS, said Lots above described have been made subject to the amended and restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour recorded in Book 985, Page 384 et seq., as amended, Brunswick County Registry ("Covenants"); and

WHEREAS, Declarant, in accordance with the reservation of rights set out in Article XI of the Covenants, has, with the consent of the Village of Bald Head Island, resubdivided Lots 200 - 224 (even numbers only), and has recorded a plat of said resubdivided Lots (numbered 200 - 220, even numbers only, and 207 - 219, odd numbers only), which plat is recorded in Map Cabinet 21, Page 79, Brunswick County Registry (the "Revised Lots" and the "Revised Plat"); and

WHEREAS, the Revised Lots are subject to the Covenants; and

WHEREAS, Declarant wishes to subject the Revised Lots to additional and supplemental covenants as more fully set out herein:

NOW, therefore, it is hereby declared by Declarant that all of the property shown on the Revised Plat, to be known as "The Peninsula at Harbour Village", shall be hereafter held, owned and conveyed subject to the provisions of this Supplemental Declaration, all of which are for the purposes of enhancing and protecting the value, desirability and attractiveness of the real property which is the subject of these restrictions.

RET. Slide
TOTAL 24.00 REV. 176.00 TC# 1161
REC# 17 CK AMT 176.00 CK# 1161
CASH 17 REF. 176.00 BY Czy

1. Exclusivity. All of the Revised Lots, other than Revised Lots 207 and 219, shall be used exclusively for single-family residential purposes. There is shown on the Revised Plat a lot classification for each lot. All improvements on each of the Revised Lots, with the exception of Lots 207 and 219, must be constructed in accordance with the setbacks, standards and use restrictions applicable to the designated lot classification, as contained in the "Urban Code - Bald Head Island Harbour" which is maintained on file with the Harbour Architectural Review Board, and which shall be available for examination by the owner or prospective owner of any of the Revised Lots, or his authorized agent.

Lots 207 and 219 may be utilized for single-family residential purposes, but also may be utilized by the Declarant or its assigns for recreational purposes, including, without limitation, providing access to the Bald Head Island marina, and construction of facilities for utilization by those entitled to utilize the Bald Head Island marina. Neither Lot 207, 219 nor the reserved Bald Head Island Limited property west of Row Boat Row (the right-of-way) and adjacent to the Bald Head Island marina are designated at this time Common Areas, and there is no representation that any of such areas shall be deeded to, or made exclusively available to, members of the Association. However, Declarant reserves the right to designate any one or more of said properties as a Common Area in accordance with the Covenants, and in such an event, said property shall be conveyed to the Association, and shall be held by the Association for all purposes as a Common Area as described in Article VI of the Covenants.

2. Marina Easement. There is hereby reserved over and across the eastern most twenty feet of Lots 207, 209, 211, 213, 215, 217, 219 and 220 a twenty-foot maintenance and repair easement, which is reserved for the benefit of Declarant, and of the owner from time-to-time of the Bald Head Island marina. It is expressly acknowledged by the owner of each of the Revised Lots that within said area of easement are tiebacks which are part of the structural system of the bulkhead which is adjacent to said Lots. Nothing shall prohibit the owner of any of the Revised Lots from utilizing the reserved easement area, but any such utilization shall be subject to this maintenance easement, and the owner of each of the Revised Lots shall be fully responsible for any costs associated with removal of or damage to structures or improvements, and the repair or replacement thereof, if such are the result of or necessitated by a need for maintenance or repair of the adjacent marina bulkhead. No owner of any Revised Lot, because of his

ownership of said Lot, shall be responsible in any way for any of the maintenance or upkeep costs of the bulkhead itself, including its tiebacks.

3. **Bulkhead Easement.** There currently exists a buried bulkhead extending generally along the property lines of single-family lots extending north from The Peninsula at Harbour Village, along the Cape Fear River. The purpose of this bulkhead is to provide protection to adjoining properties, and to infrastructure within the Bald Head Island Harbour subdivision, in case of erosion or violent storms. Declarant hereby warrants and represents that it will, no later than June 1, 2000, extend the existing bulkhead approximately along the western property lines of Lots 200 - 218 (even numbers only), as shown on the Revised Plat. Said bulkhead shall be constructed below grade. Upon completion of construction, Declarant shall have no further maintenance or other obligations in regard to said bulkhead ("Buried Bulkhead").

The owner of Lot 220 may, at his own expense, and after procuring appropriate permits, elect to extend the Buried Bulkhead across Lot 220. If such an election is made by the owner of Lot 220, said bulkhead must be constructed in accordance with the same design standards and specifications as utilized for that portion of the Buried Bulkhead constructed by Declarant adjacent to Lots 200 - 218 (even numbers only), and shall, after construction, be for all purposes considered an integral part of the Buried Bulkhead.

Following construction of the Buried Bulkhead, and because the integrity of the Buried Bulkhead is essential to the preservation of all of the properties as shown on the Revised Plat, the Buried Bulkhead shall be maintained in a functional condition at all times by the Association, but all expenses of such maintenance shall be borne, as more fully set out herein, by the owners of Lots shown on the Revised Plat. All costs and expenses associated with such maintenance and upkeep shall be considered an assessment which may be levied by the Board of Directors of the Association under Article V of the Covenants. Said assessment ("Limited Assessment") shall be levied against only the owners of Lots on the Revised Plat, in the following proportions:

- A. Eighty percent (80%) of the total Limited Assessment shall be levied against the owners of Lots 200 - 218 (even numbers only), in equal proportions (and shall also be levied proportionately against the

owner of Lot 220 if the Buried Bulkhead has been extended across Lot 220 as above provided); and

- B. Twenty percent (20%) of the total Limited Assessment shall be assessed against the owners of Lots 207 - 219 (odd numbers only), in equal proportions (and shall also be levied proportionately against the Owner of Lot 220 if the Buried Bulkhead has not been extended across said Lot).

The Association may set a date, no sooner than thirty (30) days following notification to the owners, when such a Limited Assessment is due and payable in full. If the owner of any of the Revised Lots fails to pay such Limited Assessment when due, the Association shall have full power reserved under law to collect such Limited Assessment, and shall further be entitled to collect interest at the highest rate allowed by law from the due date until paid in full, and shall further be entitled to collect all costs, including reasonable attorneys fees, incurred in any action relating to the collection of said Limited Assessment, to the fullest extent allowed by law.

It is the intent of Declarant to construct the Buried Bulkhead on the western property line of Lots 200 - 218 (even numbers only), but it is recognized that the Buried Bulkhead may extend slightly onto any of said Revised Lots, or onto the property owned by Declarant west of said Revised Lots. There is therefore hereby reserved for the benefit of Declarant, each of the owners of Lots 200 - 220 (even numbers only), as shown on the Revised Plat, and the Association a twenty foot easement for the construction, maintenance, and upkeep of the Buried Bulkhead, which easement shall extend ten feet into the westerly portion of Lots 200 - 220 (even numbers only), and ten feet outside the westerly boundaries of Lots 200 - 220, into Declarant's property, and which shall be a reciprocal easement from the owners thereof to Declarant and its assigns, and from Declarant and its assigns unto the Association.

4. **Riverfront Access Easements.** Declarant owns the property between The Peninsula at Harbour Village and the adjacent high water mark on the westerly side of Lots 200 - 220 (even numbers only). There are designated and reserved on the Revised Plat certain beach access easements for the benefit of Lots 200 - 220 (even numbers only), burdening Declarant's said property, as follows: three 10' x 10' individual easements adjacent to and for the exclusive use and benefit of Lots 204, 206 and 220; four 10' x 20'

joint easements adjacent to Lots 200 and 202, Lots 208 and 210, Lots 212 and 214, Lots 216 and 218, respectively, each joint easement to be shared by and used for the exclusive benefit of the owners of the two Lots to which the easement is adjacent. The purpose of the individual and joint access easements is to identify the only locations from which access may be gained to the foreshore of the Cape Fear River, and to the river itself, from the benefitted Lots. Each access easement shall be deemed appurtenant to and inseparable from ownership of the Lot(s) to which it is adjacent.

The Declarant shall, no later than June 1, 2000, construct within the easement area appurtenant to each Lot, a structure providing pedestrian access to the beach and the river. The costs of maintenance of each structure shall be the responsibility of the owner of the Lot benefitted thereby, and on a joint easement shall be shared equally by the owners of the two benefitted Lots. In the event an owner does not receive contribution from the jointly benefitted owner for one-half of the cost of maintenance of their shared structure, said owner shall give notice of same to the Association, and upon verification of non-payment, the Association shall collect the unpaid contribution (and all costs of collection) as a Limited Assessment against the non-paying owner, and shall upon collection reimburse the owner who has advanced the funds. After the access structures are built, Declarant shall have no further obligation with respect thereto, and shall have no responsibility for repair or maintenance of said structures or for collecting any contributions on behalf of any owner.

5. Maintenance Easement. There is shown on the Revised Plat between Lots 204 and 206 an easement seven feet in width. This easement is reserved for the benefit of Declarant and the owner from time-to-time of the Bald Head Island marina, and for the benefit of the Association, for the primary purpose of allowing ingress and egress to the foreshore area owned by Declarant adjacent to the Cape Fear River for maintenance activities, and secondarily for pedestrian access by owners of the Revised Lots. No utilization of this easement shall be made which would restrict small vehicular access for maintenance purposes relating to the Bald Head Island marina, the Buried Bulkhead and any shorefront stabilization program being implemented from time-to-time, it being the primary intent of this easement to provide maintenance access. The Declarant shall have no obligation to maintain or improve the easement area for the purpose of

pedestrian access. Subject to the reservations contained herein, the area shall be considered a Common Area, and shall be conveyed to the Association.

6. **Groin Maintenance.** There have been constructed a series of four (4) groins extending vertically from the shoreline owned by Developer into the Cape Fear River. The first two of those groins, extending from the entrance channel of the Bald Head Island marina northward, provide significant sand retention and shoreline protection for the properties within The Peninsula at Harbour Village. All maintenance of said groins, to the extent required, through December 31, 2000, shall be performed by Declarant, at the expense of Declarant. Thereafter, all expenses associated with the repair and maintenance of said groins shall be an expense assessed as a Limited Assessment against the Lots shown on the Revised Plat, and shall be collected in the same manner, and in the same percentages, as set out in Paragraph 3 hereinbefore. The Association shall have the responsibility for maintaining said two (2) groins in functional condition. The Association is hereby granted and reserved a non-exclusive easement over and across any of the property owned by Declarant extending westward from the Bald Head Island Harbour lots as may be required to provide ingress and egress to and from each of said groins for purposes of maintenance, repair and upkeep.
7. **Fire Protection.** Every building constructed on any of the Revised Lots shall be equipped with an interior, automatic sprinkler system, for fire safety and protection.
8. **Impervious Surface Limitations.** There are set out on Exhibit A hereto, as required by Article VIII, Paragraph 10 of the Covenants, impervious surface limitations for each of the Revised Lots. The owner of each of the Revised Lots shall strictly comply with said limitations, as required by the State of North Carolina. To the extent that the State of North Carolina should revise its existing stormwater permit to allow greater impervious surface on any one or more of said Revised Lots, upon filing by Declarant or the Association of a notice of said change in permit with the HARB, the impervious surface limitation as to said lot or lots shall be automatically deemed amended to comply with the increased impervious surface limitation allowed by the State of North Carolina by permit.

9. **Municipal Regulations.** To the extent that the Village of Bald Head Island enforces driving regulations, including, without limitation, limitations on speed and requirements as to the qualifications and conditions of the driver of any vehicle, said regulations and conditions are herein specifically incorporated by reference, and the Village of Bald Head Island is specifically granted authority to enforce those regulations and conditions on any private road or easement shown on the Revised Plat. It is expressly acknowledged and understood that the Village of Bald Head Island has no affirmative obligation to enforce said rules and regulations, but may elect to do so.

No overnight parking shall be permitted on Row Boat Row (the right-of-way) in order to facilitate emergency vehicle ingress and egress to and from all of the Revised Lots.

10. **Conflict.** To the extent there is any conflict between the provisions of the Amended and Restated Covenants and Fifth Supplemental Declaration, to the maximum extent allowable by law, the provisions of the Supplemental Declaration shall prevail.
11. **Definitions.** All capitalized terms not defined within this Supplemental Declaration shall have the same meaning as set out in the Covenants.
12. **Binding Effect.** This Supplemental Declaration, as well as all easements and other rights granted herein, and all restrictions and conditions contained herein, shall run with the real property and shall be binding on all parties having or acquiring any right, title or interest in any of the Revised Lots, and shall further inure to the benefit of Declarant and the Association. All present and future owners of any Revised Lot shall be subject to, and shall comply with the Covenants, Conditions, Restrictions and affirmative obligations set forth in this Supplemental Declaration, as it may be amended from time-to-time. Acceptance of a deed of conveyance or the entering into of a lease or the entering into of occupancy of any improvement on any of the Revised Lots shall constitute an agreement that the provisions of this Supplemental Declaration are accepted and ratified by such party, and that they will fully comply with the terms and conditions contained herein, and in the Covenants.

This Supplemental Declaration of Covenants is executed as of the day and year first above written under authority duly granted.

BALD HEAD ISLAND LIMITED,
a Texas limited partnership

(SEAL)

By: *M. Kent Mitchell*
M. Kent Mitchell
Attorney in Fact *ju*

(SEAL)

Inst # 8692 Book 1291 Page: 1014

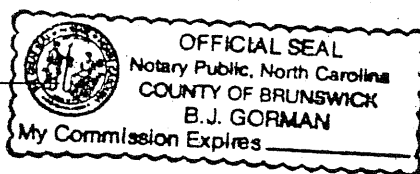
STATE OF NORTH CAROLINA
Brunswick County ss:

I, *B.J. Gorman*, a Notary Public for said County and State, do hereby certify that M. Kent Mitchell attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 912, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said M. Kent Mitchell acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 1st day of April, 1999.

B.J. Gorman
Notary Public



My commission expires: 3/10/03

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of B. J. GORMAN

Notary(ies) Public is (are) Certified to be Correct.

This Instrument was filed for Registration on this 1st Day of April, 1999
in the Book and Page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

EXHIBIT A
"The Peninsula at Harbour Village"

*Table of Lot Classification and
 Impervious Surface Limitations*

<i>LOT #</i>	<i>LOT TYPE</i>	<i>Allowable Built Upon Area (Square Feet)</i>
200	IVE	2,200
202	IVE	2,500
204	IVF	2,500
206	IVE	1,800
207	IVG	1,800
208	IVE	1,800
209	IVD	1,800
210	IVE	2,200
211	IVD	1,800
212	IVE	2,200
213	IVD	1,800
214	IVE	2,200
215	IVD	1,800
216	IVE	2,200
217	IVD	1,800
218	IVE	2,500
219	IVG	1,500
220	IVF	2,500

AMENDMENT TO SUPPLEMENTAL
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE PENINSULA AT HARBOUR VILLAGE

THIS AMENDMENT TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PENINSULA AT HARBOUR VILLAGE is made as of the 30th day of December, 1999, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the owner and developer of that certain real property on Bald Head Island known as Bald Head Island Harbour, including that portion of the Harbour known as The Peninsula at Harbour Village, all located in the Village of Bald Head Island, Brunswick County, North Carolina; and;

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 985 at Page 384, Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, and has further caused to be recorded in said Registry in Book 1291 at Page 1007, that certain Supplemental Declaration of Covenants, Conditions and Restrictions for The Peninsula at Harbour Village; and,

WHEREAS, Paragraph 8 of the aforesaid Supplemental Declaration provides as follows:
"To the extent that the State of North Carolina should revise its existing stormwater permit to allow greater impervious surface on any one or more of said Revised Lots, upon filing by Declarant or the Association of a notice of said change in permit with the HARB, the impervious surface limitation as to said lot or lots shall be automatically deemed amended to comply with the increased impervious surface limitation allowed by the State of North Carolina by permit."; and,

WHEREAS, Bald Head Island Limited, Declarant, has filed or will file with the HARB notice of a change in the existing stormwater permit from the State of North Carolina, allowing, inter alia, greater impervious surface on Lot 208 of The Peninsula at Harbour Village, one of the Revised Lots subject to the aforesaid Supplemental Declaration;

NOW, THEREFORE, Declarant, Bald Head Island Limited, hereby declares that pursuant to Paragraph 8 of the Supplemental Declaration, and in accordance with the stormwater permit (as revised) under Title 15 NCAC 2H.1003(a)(2), Exhibit A to the Supplemental Declaration of Covenants, Conditions and Restrictions for The Peninsula at Harbour Village, dated April 1, 1999, and recorded in the Brunswick County Registry in Book 1291, Page 1007, is hereby amended as follows:

As to Lot #208, as shown on that plat of survey for The Peninsula at Harbour Village, recorded in Map Cabinet 21, Page 79 of the Brunswick County Registry, the "Allowable Built Upon Area (Square Feet)" shall be 2,500. As to Lot #219, as shown on the aforesaid plat of survey, the "Allowable Built Upon Area (Square Feet)" shall be 300. Except as specifically set forth herein, said Exhibit A to the Supplemental Declaration shall remain unchanged and in full force and effect.

Brunswick County—Register of Deeds
Robert J. Robinson
Inst #34366 Book 1352Page 298
01/06/2000 08:58am Rec# 32662

RET Jude Ward
TOTAL 10.00 REV. _____ TC# _____
REC# 38 CK AMT 10.00 CK# 1222
CASH _____ REF. _____ BY [Signature]

This Amendment is intended to insure continued compliance with stormwater runoff rules adopted by the State of North Carolina and therefore benefits and may be enforced by the State of North Carolina. The covenants contained herein are to run with the land and shall be binding on all parties and all persons claiming under them.

The covenants pertaining to stormwater regulations may not be changed or deleted without concurrence of the State. Runoff from all impervious areas of all designated Lots must be directed into the system. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the State. Lots within the Coastal Area Management Act's Area of Environmental Concern may be subject to a reduction in their allowable built-up area due to CAMA regulations.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized attorney in fact, under seal, this the 30th day of December, 1999.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

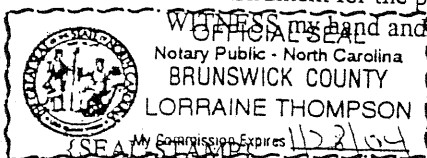
By: [Signature] (SEAL)
Kenneth M. Kirkman
Attorney in Fact

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, Lorraine Thompson, a Notary Public for said County and State, do hereby certify that Kenneth M. Kirkman, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 916, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Kenneth M. Kirkman acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

Witness my hand and official seal, this the 30 day of December, 1999.



Lorraine Thompson
Notary Public

My commission expires: _____

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of LORRAINE THOMPSON

Notary(ies) Public is (are) Certified to be Correct.

This Instrument was filed for Registration on this 6th Day of January 2000
in the Book and Page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

SECOND AMENDMENT TO SUPPLEMENTAL
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR THE PENINSULA AT HARBOUR VILLAGE

THIS SECOND AMENDMENT TO SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PENINSULA AT HARBOUR VILLAGE is made as of the 19th day of April, 2000, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the owner and developer of that certain real property on Bald Head Island known as Bald Head Island Harbour, including that portion of the Harbour known as The Peninsula at Harbour Village, all located in the Village of Bald Head Island, Brunswick County, North Carolina; and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 985 at Page 384, Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, and has further caused to be recorded in said Registry in Book 1291 at Page 1007, that certain Supplemental Declaration of Covenants, Conditions and Restrictions for The Peninsula at Harbour Village, together with an Amendment thereto which is recorded in said Registry in Book 1352 at Page 298; and,

WHEREAS, Article XI, Section 6 of the aforesaid Declaration provides as follows:

"The Declarant, without the consent or approval of any other owner, shall have the right to amend this Declaration to conform to the requirements of law or governmental agency having legal jurisdiction over . . . Bald Head Island Harbour . . . including without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare, . . . any agency of the State of North Carolina requiring an amendment as a condition of approval, or suggesting an amendment, shall be sufficient evidence of the requirement of such amendment by such . . . agency."; and,

WHEREAS, Bald Head Island Limited, Declarant and developer of the hereinafter described Lots within Bald Head Island Harbour, as shown on that certain plat of survey for The Peninsula at Harbour Village, recorded in the aforesaid Registry in Map Cabinet 21 at Page 79, has, in accordance with Title 15 NCAC 2H.1003(a)(2), recorded certain supplemental restrictions and protective covenants pertaining to the impervious coverage of said Lots, and is required to record amended covenants should the identification or proposed use of said Lots change;

NOW, THEREFORE, Declarant, Bald Head Island Limited, hereby declares that in accordance with Title 15 NCAC 2H.1003(a)(2), **Exhibit A** to the Supplemental Declaration of Covenants, Conditions and Restrictions for the Peninsula at Harbour Village, dated April 1, 1999, and recorded in the Brunswick County Registry in Book 1291, Page 1007, as previously amended by instrument recorded in Book 1352, Page 298, is hereby superceded and replaced in its entirety by the revised **Exhibit A** attached hereto, and the Lots shall be required to comply with the maximum allowable built upon area requirements set forth therein.

RET Jude Ward
TOTAL 12 REV 12
REC# 98 CK# 1252
SH full REF full

The maximum allowable built upon area includes any built upon area constructed within the lot property boundaries, and that portion of the right-of-way between the front lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.

This Second Amendment is made as a result of the modification of the stormwater management permit issued for the subject property on April 7, 2000, and is intended to insure continued compliance with stormwater runoff rules adopted by the State of North Carolina and therefore benefits and may be enforced by the State of North Carolina. The covenants contained herein are to run with the land and shall be binding on all parties and all persons claiming under them.

The covenants pertaining to stormwater regulations may not be changed or deleted without concurrence of the State. Runoff from all impervious areas of all designated Lots must be directed into the system. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the State. Lots within the Coastal Area Management Act's Area of Environmental Concern may be subject to a reduction in their allowable built-up area due to CAMA regulations.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized attorney in fact, under seal, this the 19th day of April, 2000.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

By: [Signature] (SEAL)

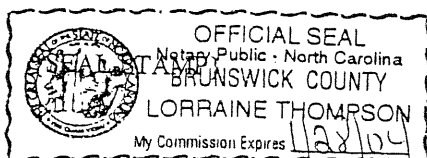
Kenneth M. Kirkman
Attorney in Fact

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, LORRAINE THOMPSON, a Notary Public for said County and State, do hereby certify that Kenneth M. Kirkman, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 916, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Kenneth M. Kirkman acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal this the 19th day of April, 2000.



Lorraine Thompson
Notary Public
My commission expires: _____

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of LORRAINE THOMPSON

EXHIBIT A

Inst # 42763 Book 1372Page: 275

TABLE OF LOT SIZES AND BUILT UPON AREAS

The Peninsula at Harbour Village
("Row Boat Row")

<u>Lot # /Area /Allowable Built-Upon</u>			<u>Lot # /Area /Allowable Built-Upon</u>		
200	0.12 ac.	2500 sq.ft.	207	0.11 ac.	2400 sq.ft.
202	0.14 ac.	2500 sq.ft.	209	0.11 ac.	2400 sq.ft.
204	0.14 ac.	2500 sq.ft.	211	0.11 ac.	2400 sq.ft.
206	0.10 ac.	2500 sq.ft.	213	0.11 ac.	2400 sq.ft.
208	0.10 ac.	2500 sq.ft.	215	0.11 ac.	2400 sq.ft.
210	0.11 ac.	2500 sq.ft.	217	0.11 ac.	2400 sq.ft.
212	0.12 ac.	2500 sq.ft.	219	0.15 ac.	1000 sq.ft. *
214	0.12 ac.	2500 sq.ft.	Common area:		
216	0.13 ac.	2500 sq.ft.	0.14 ac. 500 sq.ft.		
218	0.14 ac.	2500 sq.ft.			
220	0.17 ac.	2500 sq.ft.			

*per permit, as issued; can be increased to maximum of 1600 sq.ft. with the consent of the State of North Carolina.

FOURTH
AMENDMENT TO THE
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS FOR
BALD HEAD ISLAND HARBOUR

This Amendment to the Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour is dated for purposes of reference only this 1st day of November, 1999, and is made and entered into by the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation ("Harbour Association"), upon vote duly made by the members of the Harbour Association, as certified by the Harbour Association.

WITNESSETH:

WHEREAS, by Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour recorded in Book 985, Page 384 et seq, Brunswick County Registry, as subsequently amended (the "Covenants"), the property described in the Covenants was made subject thereto; and

WHEREAS, said Covenants did incorporate by reference certain provisions of the Amended and Restated Declaration of Covenants, Conditions and Restrictions, as amended, and recorded in Book 498, Page 260 et seq, Brunswick County Registry ("Bald Head Association Covenants"); and

WHEREAS, the Bald Head Association Covenants have been subsequently revised, making the references thereto contained in the Covenants inapplicable; and

WHEREAS, the members of the Harbour Association have determined, by vote, to amend and correct the Covenants to conform to the revision of the Bald Head Association Covenants ("the Amended Bald Head Association Covenants");

NOW, therefore, the Covenants are hereby amended as follows:

1. Article II, Paragraph 1 of the Covenants is hereby deleted in its entirety.
2. Article II, Paragraph 1 of the Covenants is hereby replaced with the following provisions: *"The Owner of each Unit (as defined in Article 1 of the Amended Bald Head Association Covenants) within the Properties shall be a Member of the Bald Head Association, and the Owner of every such Unit shall hold, sell and convey said Unit subject to the provisions of Articles 2, 5 and 9 of the Amended Bald Head Association Covenants, including, without limitation, the right and obligation to pay General Assessments and Special Assessments, as defined in Article 1 of the Amended Bald Head Association Covenants. Furthermore, each*

RET Jude Ward
TOTAL 42 - REV 38 - TC# 38
REC# 422 - CK AMT 1240 - CK# 1240
CASH REF BY JS

Member shall have full rights and utilization of all properties owned by the Bald Head Association, to the same extent as all other Members of the Bald Head Association."

3. It is expressly understood that, to the extent necessary, the definitions contained in Article II of the Amended Bald Head Association Covenants shall be applicable to the defined terms within this Amendment.
4. Survival. Except as set out herein, all of the terms, provisions, conditions and restrictions contained in the Covenants (including all amendments thereto) shall remain in full force and effect.
5. As required by Article XI, Paragraph 4 of the Covenants, there is attached hereto a certification duly adopted by the Board of Directors of the Association indicating that this Amendment has been approved by the required vote of the Members of the Harbour Association.

In witness whereof, the Harbour Association of Bald Head Island has executed this instrument, under seal, this 9th day of Nov, 1999.

HARBOUR ASSOCIATION OF BALD HEAD ISLAND

(SEAL)

By: [Signature] (President)

ATTEST: SECRETARY:

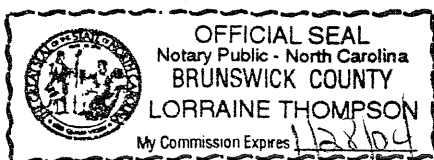
By: [Signature]

STATE OF NORTH CAROLINA,
COUNTY OF BRUNSWICK:

I, Lorraine Thompson, a Notary Public of the County and State aforesaid, certify that [Signature] personally came before me this day and acknowledged that he/she is Secretary of Harbour Association, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by him/her as its Secretary.

Witness my hand and official seal this 10th day of November, 1999.

My commission expires:



[Signature]

Notary Public

CERTIFICATION

The Board of Directors of the Harbour Association of Bald Head Island hereby certifies, in accordance with the requirement of Article XI, Paragraph 4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, as recorded in Book 985, Page 384 et seq, Brunswick County Registry, that said Declaration has been amended upon proper vote of owners of more than fifty percent (50%) of the lots within said Association, and that the amendment to which this certification is attached, upon recordation, is certified to be valid, properly adopted, and of full force and effect.

This the 9th day of Nov, 1999.

By: [Signature]

By: Joyce C. Feltar

By: [Signature]

By: [Signature]

By: _____

**FIFTH AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BALD HEAD ISLAND HARBOUR**

This Fifth Amendment to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour is dated for purposes of reference only this 15th day of November, 2000, and is made and entered into by the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation ("Harbour Association"), upon vote duly made by the members of the Harbour Association, as certified by the Harbour Association;

WITNESSETH:

WHEREAS, by Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, recorded in Book 985, Page 384 of the Office of the Register of Deeds for Brunswick County, North Carolina, as subsequently amended (the "Covenants"), the property described in the Covenants was made subject thereto; and,

WHEREAS, Article VII of the Covenants contains a provision in paragraph e., prohibiting the erection and maintenance on residential properties subject to the Covenants of certain signs, without the Declarant's approval; and,

WHEREAS, the members of the Harbour Association have determined, by vote, to amend said paragraph e of Article VII the Covenants;

NOW, THEREFORE, the Covenants are hereby amended as follows:

1. Paragraph e. of Article VII of the Covenants is hereby deleted in its entirety.
2. Paragraph e. of Article VII of the Covenants is hereby replaced with the following provisions:

e. No sign conveying, or intending to convey, a For Sale or For Rent message regardless of the particular verbiage utilized, shall be erected or maintained within the Harbour Subdivision. No signs other than identification signs approved as to the size, style, material and location by the Harbour Architectural Review Board, based upon uniform standards adopted by the Harbour Architectural Review Board and approved by the Board of Directors of the Association shall be allowed. All signage on lots designated commercial-residential and on all Common Areas shall be subject to the prior approval of the Harbour Architectural Review Board, in accordance with uniform standards adopted by the Harbour Architectural Review Board, and approved by the Board of Directors of the Association. Notwithstanding this provision, For Sale bollard caps, as defined and regulated by the Bald Head Association, as such regulations may be modified from time to time, shall be allowed on any property within the Harbour Subdivision.

RE. Jude Ward
TOTAL 12 REV. 38 TO# 38
REC# 76 CK AMT 1299 CK# BF
CASH REF BY BF

CERTIFICATION

The Board of Directors of the Harbour Association of Bald Head Island hereby certifies, in accordance with the requirement of Article XI, paragraph 4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, as recorded in Book 985, Page 384, Brunswick County Registry, that said Declaration has been amended upon proper vote of owners of more than fifty (50%) percent of the Lots within said Association, and that the Amendment to which this Certification is attached, upon recordation, is certified to be valid, properly adopted, and of full force and effect.

This the 28th day of November, 2000.

By: V. Ray Martin, Jr.
V. Ray Martin

By: Joyce C. Fulton
Joyce C. Fulton

By: Leigh Ann Patterson
Leigh Ann Patterson

By: Emily Hill
Emily Hill

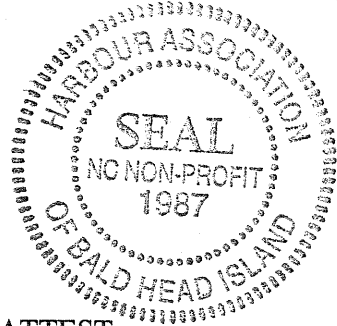
By: Julie Hayes Cox
Julie Hayes Cox

3. It is expressly understood that, to the extent necessary, the definitions contained in the Covenants and in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Association shall be applicable to the defined terms within this Fifth Amendment.

4. Except as set out herein, all of the terms, provisions, conditions and restrictions contained in the Covenants, including all amendments thereto, shall remain in full force and effect.

5. As required by Article XI, paragraph 4 of the Covenants, attached hereto is a certification duly adopted by the Board of Directors of the Association certifying that this Fifth Amendment has been approved by the required vote of the Members of the Harbour Association.

IN WITNESS WHEREOF, the Harbour Association of Bald Head Island has executed this instrument, under seal, this the 28th day of November, 2000.



HARBOUR ASSOCIATION OF BALD HEAD ISLAND

By: V. Ray Martin, Jr. (SEAL)
V. Ray Martin, President

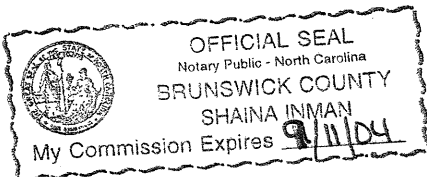
ATTEST:

Leigh Anne Patterson
Leigh Anne Patterson, Secretary

STATE OF NORTH CAROLINA,
BRUNSWICK COUNTY

I, Shaina Inman a Notary Public for the County and State aforesaid, certify that Leigh Anne Patterson on personally came before me this day and acknowledged that she is the Secretary of the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by her as its Secretary.

WITNESS my hand and official seal, this the 28th day of November, 2000.



Shaina Inman
Notary Public
My commission expires: 9/11/04

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of _____

SHAINA INMAN

RET 70 REV 38 TC# 38
TOTAL 70 REC# 151 CK AMT 1444
CASH REF BY Dr

**SIXTH AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BALD HEAD ISLAND HARBOUR**

This Sixth Amendment to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour is dated for purposes of reference only this 7th day of April, 2003, and is made and entered into by the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation ("Harbour Association"), upon vote duly made by the members of the Harbour Association, as certified by the Harbour Association;

WITNESSETH:

WHEREAS, by Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, recorded in Book 985, Page 384 of the Office of the Register of Deeds for Brunswick County, North Carolina, as subsequently amended (the "Covenants"), the property described in the Covenants was made subject thereto; and,

WHEREAS, Article V of the Covenants contains a provision in paragraph 6 requiring, at the first meeting called pursuant to paragraphs 3 or 4 of Article V, the presence at the meeting of members or of proxies entitled to cast sixty percent (60%) of all votes to constitute a quorum; and,

WHEREAS, the members of the Harbour Association have determined, by the signed written vote of not less than fifty percent (50%) of the owners of the lots now existing, to amend said paragraph 6 of Article V the Covenants to reduce the percentage of votes necessary to constitute a quorum at the aforesaid first meeting from sixty percent (60%) to forty percent (40%);

NOW, THEREFORE, the Covenants are hereby amended as follows:

1. Paragraph 6 of Article V of the Covenants shall henceforth read as follows:

6. At the first meeting called pursuant to Sections 3 or 4 of this Article, the presence at the meeting of members or of proxies entitled to cast forty percent (40%) of all votes shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirements set forth in Sections 3 and 4 hereof, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. Such subsequent meetings shall be held within sixty (60) days following the preceding meeting.

2. It is expressly understood that, to the extent necessary, the definitions contained in the Covenants and in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Association shall be applicable to the defined terms, if any, within this Sixth Amendment.

3. Except as set out herein, all of the terms, provisions, conditions and restrictions contained in the Covenants, including all amendments thereto, shall remain in full force and effect.

4. As required by Article XI, paragraph 4 of the Covenants, attached hereto is a certification duly adopted by the Board of Directors of the Association certifying that this Sixth Amendment has been approved by the required written vote of the Members of the Harbour Association.

IN WITNESS WHEREOF, the Harbour Association of Bald Head Island has executed this instrument, under seal, this the 7th day of April, 2003.



HARBOUR ASSOCIATION OF BALD HEAD ISLAND

By: [Signature] (SEAL)
Emily Hill, President

ATTEST:

[Signature]
LaWanda Hall, Secretary

STATE OF NORTH CAROLINA,
BRUNSWICK COUNTY

I, Shaina Inman a Notary Public for the County and State aforesaid, certify that LaWanda Hall personally came before me this day and acknowledged that she is the Secretary of the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by her as its Secretary.

WITNESS my hand and official seal, this the 7th day of April, 2003.



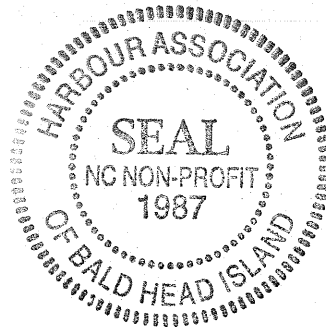
OFFICIAL SEAL
Notary Public - North Carolina
BRUNSWICK COUNTY
SHAINA INMAN


[Signature]

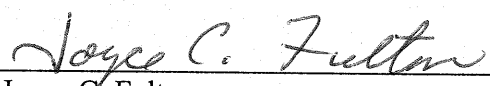
CERTIFICATION

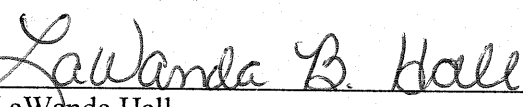
The Board of Directors of the Harbour Association of Bald Head Island hereby certifies, in accordance with the requirement of Article XI, paragraph 4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, as recorded in Book 985, Page 384, Brunswick County Registry, that said Declaration has been amended upon proper written vote of owners of not less than fifty (50%) percent of the Lots within said Association, and that the Amendment to which this Certification is attached, upon recordation, is certified to be valid, properly adopted, and of full force and effect.

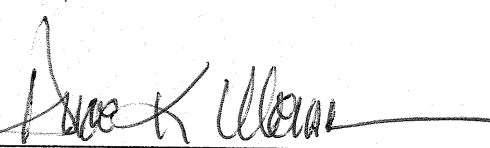
This the 7th day of April, 2003.

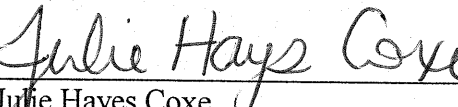


By: 
Emily Hill

By: 
Joyce C. Fulton

By: 
LaWanda Hall

By: 
Alice Welden

By: 
Julie Hayes Cox



Presenter Judy Ward Ret: IS
Total 26 Rev 84 Int. 84
Ck \$ 26 Ck # 2119 Cash \$
Refund: Cash \$ Finance
☐ Portions of document are illegible due to condition of original.
☐ Document contains seals verified by original instrument that cannot be reproduced or copied.

**SEVENTH AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR BALD HEAD ISLAND HARBOUR**

This Seventh Amendment to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour is dated for purposes of reference only this 8th day of December, 2008, and is made and entered into by the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation ("Harbour Association"), upon vote duly made by the members of the Harbour Association, as certified by the Harbour Association;

WITNESSETH:

WHEREAS, by Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, recorded in Book 985, Page 384 of the Office of the Register of Deeds for Brunswick County, North Carolina, as subsequently amended (the "Covenants"), the property described in the Covenants was made subject thereto; and,

WHEREAS, the Covenants fail to address the potential use of the aforesaid properties and the improvements thereon as "timeshares" under North Carolina law; and,

WHEREAS, the members of the Harbour Association have determined, by the signed written vote of not less than fifty percent (50%) of the owners of the lots now existing, that it is in the best interest of the Association and its members to prohibit timeshare use of residential properties, and to amend Article VII of the Covenants to so provide;

NOW, THEREFORE, the Covenants are hereby amended as follows:

1. A new subparagraph "h." shall be added to Article VII of the Covenants, "Use Restrictions", to read as follows:

h. As used within this Declaration, a limitation on the use of any numbered lot to "single family residential purposes only" under Article VIII herein shall prohibit the use of any such lot (or any living unit constructed thereon) as a "timeshare". For purposes of this subparagraph, a "timeshare" shall be any utilization that requires registration with the State of North Carolina under Chapter 93A, Article 4, of the North Carolina General Statutes or any successor statute. The provisions of this subparagraph shall be specifically applicable to all lots currently subject to the Declaration except lots numbered 1A, 1B, 2, 3, 21, 22, 86, 87, 219, and Keelson Row lots 64 through 85, and shall apply to any properties that may hereafter be annexed to the Subject Property pursuant to Article III of the Declaration.

2. It is expressly understood that, to the extent necessary, the definitions contained in the Covenants and in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Association shall be applicable to the defined terms, if any, within this Seventh Amendment.

3. Except as set out herein, all of the terms, provisions, conditions and restrictions contained in the Covenants, including all amendments thereto, shall remain in full force and effect.

4. As required by Article XI, paragraph 4 of the Covenants, attached hereto is a certification duly adopted by the Board of Directors of the Association certifying that this Seventh Amendment has been approved by the required written vote of the Members of the Harbour Association.

IN WITNESS WHEREOF, the Harbour Association of Bald Head Island has executed this instrument, under seal, this the 16th day of December, 2008.



HARBOUR ASSOCIATION OF BALD HEAD ISLAND

By Anita M. Schnog (SEAL)
Anita Schnog, President

ATTEST:

Joyce C. Fulton
Joyce C. Fulton, Secretary

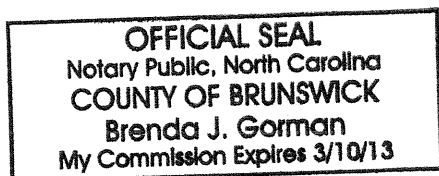
STATE OF NORTH CAROLINA,
BRUNSWICK COUNTY

I, Brenda J. Gorman a Notary Public for the County and State aforesaid, certify that Joyce C. Fulton personally came before me this day and acknowledged that she is the Secretary of the Harbour Association of Bald Head Island, a North Carolina nonprofit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by her as its Secretary.

WITNESS my hand and official seal, this the 16th day of December, 2008.

{stamp or seal}

Brenda J. Gorman
Notary Public
My commission expires: 3/10/13





CERTIFICATION

The Board of Directors of the Harbour Association of Bald Head Island hereby certifies, in accordance with the requirement of Article XI, paragraph 4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, as recorded in Book 985, Page 384, Brunswick County Registry, that said Declaration has been amended upon the proper written vote of owners of not less than fifty (50%) percent of the Lots within said Association, and that the Amendment to which this Certification is attached, upon recordation, is certified to be valid, properly adopted, and of full force and effect.

This the 19th day of December, 2008.

By: Anita M. Schnog
Anita Schnog, Director

By: Joyce C. Fulton
Joyce C. Fulton, Director

By: Bill Waddell
Bill Waddell, Director

By: _____
Dan McLamb, Director

By: _____
Joan Thomas, Director



CERTIFICATION

The Board of Directors of the Harbour Association of Bald Head Island hereby certifies, in accordance with the requirement of Article XI, paragraph 4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, as recorded in Book 985, Page 384, Brunswick County Registry, that said Declaration has been amended upon the proper written vote of owners of not less than fifty (50%) percent of the Lots within said Association, and that the Amendment to which this Certification is attached, upon recordation, is certified to be valid, properly adopted, and of full force and effect.

This the 19th day of December, 2008.

By: _____
Anita Schnog, Director

By: _____
Joyce C. Fulton, Director

By: _____
Bill Waddell, Director

By: 
Dan McLamb, Director

By: _____
Joan Thomas, Director

CERTIFICATION

The Board of Directors of the Harbour Association of Bald Head Island hereby certifies, in accordance with the requirement of Article XI, paragraph 4 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, as recorded in Book 985, Page 384, Brunswick County Registry, that said Declaration has been amended upon the proper written vote of owners of not less than fifty (50%) percent of the Lots within said Association, and that the Amendment to which this Certification is attached, upon recordation, is certified to be valid, properly adopted, and of full force and effect.

This the 19th day of December, 2008.

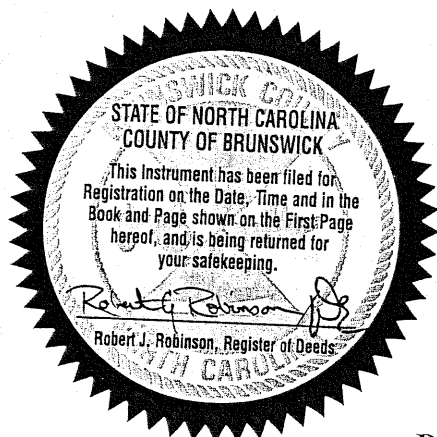
By: _____
Anita Schnog, Director

By: _____
Joyce C. Fulton, Director

By: _____
Bill Waddell, Director

By: _____
Dan McLamb, Director

By: Joan A Thomas
Joan Thomas, Director



RET Bald Head
TOTAL 20 REV TC# 17
REC# CK AMT 93 CK# 2027
CASH REF BY Dr

DECLARATION OF RESTRICTIVE COVENANTS
FOR LOTS 1A and 1B, BALD HEAD ISLAND HARBOUR
BALD HEAD ISLAND, NORTH CAROLINA

THIS DECLARATION OF RESTRICTIVE COVENANTS FOR LOTS 1A AND 1B, BALD HEAD ISLAND HARBOUR, BALD HEAD ISLAND, NORTH CAROLINA, is made as of the 18th day of APRIL, 2006, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the developer of that certain real property known as Bald Head Island Harbour, a subdivision located in the Village of Bald Head Island, Brunswick County, North Carolina; and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 985, Page 384, an Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour ("Harbour Declaration"), and has further caused to be recorded in said Registry various correction(s), supplement(s), and amendments thereto, as well as certain Plats of survey depicting the real property subject to the Harbour Declaration as corrected, supplemented and amended, including Lot 1, Bald Head Island Harbour, as the same is shown and described on the Plat recorded by the Declarant in Map Cabinet Z, Page 75 of the aforesaid Registry; and,

WHEREAS, Bald Head Island Limited, Declarant and sole owner of that certain unimproved real property known as Lot 1, Bald Head Island Harbour, wishes to divide the property constituting Lot 1 into two lots, and has caused the Lot 1 property to be resurveyed and replatted to reflect the division thereof into the new Lots 1A and 1B, Bald Head Island Harbour, the revised plat of which is recorded in Map Cabinet 34, Instrument 513, Brunswick County Registry; and,

WHEREAS, while new Lots 1A and 1B, Bald Head Island Harbour, remain subject to the Harbour Declaration as corrected, supplemented and amended, Bald Head Island Limited wishes to impose upon said Lots 1A and 1B certain additional restrictive covenants for the mutual benefit of the owners of said new Lots and their successors;

NOW, THEREFORE, Bald Head Island Limited, Declarant and sole owner of all of the real property depicted on the revised plat, hereby declares that said property shall henceforth be described as Lots 1A and 1B, Bald Head Island Harbour, as shown on said revised plat recorded in the Brunswick County Registry, and that the following restrictive covenants shall be and the same hereby are imposed upon said Lots 1A and 1B, and shall run with the land, to wit:

1. The second and third stories of the dwellings to be constructed on Lots 1A and 1B, as well as the crofters/garages for said Lots, shall be divided from each other by common shared walls located on the boundary line dividing said Lots 1A and 1B, which walls shall be used and maintained as party walls forever, and if rebuilt, shall stand upon the same places and be of the same or similar materials and of the same proportions as the original walls. Any conveyance of Lot 1A and/or Lot 1B shall include and be subject to cross-easements between the owners of said Lots 1A and 1B for the construction, maintenance and repair of the aforesaid party walls, which cross-easements shall run with the title to both Lots.

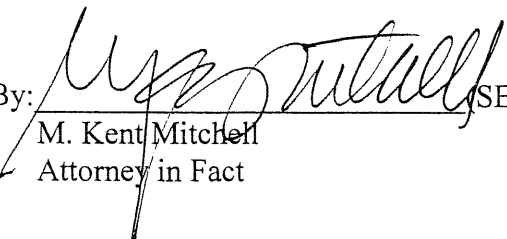
2. There shall be constructed at ground level on Lots 1A and 1B a shared front entry area and shared rear deck space, which shall be located upon both Lots and shall extend across the boundary line dividing said Lots. Each and every owner of Lots 1A and 1B is hereby granted, jointly and severally, a perpetual right and easement to come upon, use, and enjoy the entire front entry area and rear deck space, to the exclusion of all persons other than the other owner(s) of Lots 1A and 1B, their guests and invitees. To the extent that the front entry area and/or the rear deck space are located upon either Lot 1A or 1B, the owner of the other Lot is hereby granted a perpetual, non-exclusive right and easement upon, over and across the Lot he does not own, for the limited purposes of and only as may be necessary for the owners, their guests and invitees to obtain access to and have the shared use and enjoyment of the entire front entry area and rear deck space.

3. The owners of Lots 1A and 1B shall be jointly and equally responsible for maintaining the shared front entry area and shared rear deck space, and for insuring them against hazards and for liabilities. All costs and expenses of insurance, maintenance, upkeep, repair, and replacement relating to or associated with the shared front entry area and shared rear deck space shall be borne and paid in equal shares, one-half (1/2) share per Lot, by the respective owners of Lots 1A and 1B. In the event an owner of Lot 1A or 1B does not receive contribution from the other owner for said owner's one-half share of the costs of insurance, maintenance, upkeep, repair or replacement, the paying owner shall have the full right and authority to pursue contribution or reimbursement from the non-paying owner by all means available at law or in equity.

4. In addition to the restrictive covenants imposed hereby, all of the terms, provisions and conditions of the Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, recorded in Book 985, Page 384, Brunswick County Registry, and the corrections, supplements and amendments thereto, as the same may be further amended from time-to-time, remain in full force and effect and fully applicable to the property and Lots described herein.

WITNESS, that this Declaration of Restrictive Covenants is executed on behalf of Declarant by its authorized representative as of the day and year first above written.

BALD HEAD ISLAND LIMITED (SEAL)

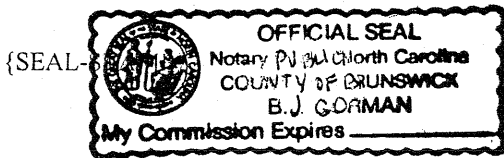
By:  (SEAL)
M. Kent Mitchell
Attorney in Fact

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

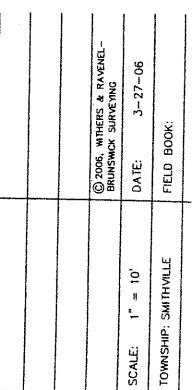
I, B.J. Gorman, a Notary Public for said County and State, do hereby certify that M. Kent Mitchell, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and on behalf of the said Bald Head Island Limited, 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 in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 912, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said M. Kent Mitchell acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 18th day of April, 2006.



B.J. Gorman
Notary Public
My commission expires: 3/10/08



ACKNOWLEDGES THAT THE
 THAT IS WITHIN THE SUBDIVISION
 OF THE VILLAGE OF BALD HEAD
 AT AND ALLOTMENT IS MY FREE
 115-11115-11111, NO 2-2-46
 115-11115-11111, NO 2-2-46
 115-11115-11111, NO 2-2-46



Brunswick County, NC Register of Deeds

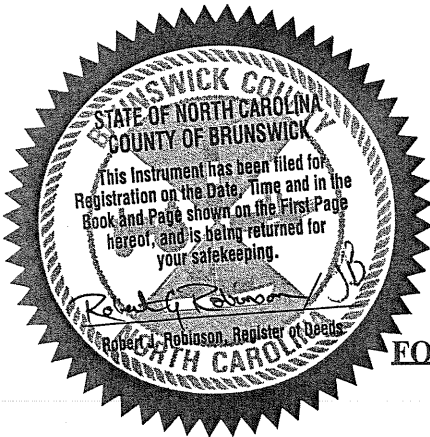
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11:05:17.001

Robert J. Robinson

page 1 of 5

Presenter Bald Head Island Ret: IS5 Total 26.00 Rev Int. JBCk \$ 51.00 Ck # 2072 Cash \$ Refund: Cash \$ Finance ☐ Portions of document are illegible due to condition of original.☐ Document contains seals verified by original instrument that cannot be reproduced or copied.

AMENDED AND RESTATED
DECLARATION OF RESTRICTIVE COVENANTS
FOR LOTS 1A AND 1B, BALD HEAD ISLAND HARBOUR
BALD HEAD ISLAND, NORTH CAROLINA

THIS AMENDED AND RESTATED DECLARATION OF RESTRICTIVE COVENANTS FOR LOTS 1A AND 1B, BALD HEAD ISLAND HARBOUR, is made as of the 18th day of July, 2007, as follows:

WHEREAS, Bald Head Island Limited, LLC, a Texas limited liability company, is the successor to Bald Head Island Limited, developer and sole owner of that certain real property located in the Village of Bald Head Island and known as Lots 1A and 1B, Bald Head Island Harbour, Bald Head Island, Brunswick County, North Carolina (the "Property"); and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 2374, Page 294, a certain Declaration of Restrictive Covenants for the aforesaid Property, and has further caused to be recorded in said Registry in Map Cabinet 34, Instrument 513, a Plat of survey which sets out and describes, *inter alia*, the Property subject to said Declaration; and,

WHEREAS, the Declarant, with the joinder and consent of Bald Head Construction, Inc., sole owner of all of the Property depicted in the aforesaid Plat of survey, wishes to adjust the boundary line between Lots 1A and 1B, and has caused such adjustment to be replatted to reflect the new boundary line, which revised Plat of survey is recorded in Map Cabinet 42, Instrument 10, Brunswick County Registry; and,

WHEREAS, the Declarant, with the joinder and consent of the sole owner of the Property, Bald Head Construction, Inc., wishes to amend and restate the aforesaid Declaration of Restrictive Covenants with regard to the building and site restrictions applicable to the subject Property as shown on the aforesaid revised Plat, and by execution and recordation of this Amended and Restated Declaration of Restrictive Covenants the Declarant hereby declares that the terms, provisions and conditions of this Amended and Restated Declaration of Restrictive Covenants shall supercede and replace the Declaration of Protective Covenants recorded in Book 2374, Page 294, applicable to the property described herein and depicted on the said revised Plat;

NOW THEREFORE, the Declarant hereby declares that all of the property and Lots shown on the revised Plat shall hereafter be held, owned and conveyed subject to the provisions



of said Plat and this Amended and Restated Declaration of Restrictive Covenants, for the mutual benefit of the owners of the Revised Lots and their successors; that upon the recording of said revised Plat and this Amended and Restated Declaration, the previously recorded Declaration of Restrictive Covenants and Plat of survey of the property and Lots shall have no further force or effect; and that all conveyances of any interest in the property or Lots shall henceforth be made with reference to the revised Plat and this Amended and Restated Declaration of Restrictive Covenants, the contents of which shall run with the land, to wit:

1. The second and third stories and part of the ground floor of the dwellings to be constructed on Revised Lots 1A and 1B, as well as the crofters/garages for said Lots, shall be divided from each other by common shared walls located on the boundary line dividing said Revised Lots 1A and 1B, which walls shall be used and maintained as party walls forever, and if rebuilt, shall stand upon the same places and be of the same or similar materials and of the same proportions as the original walls. Any conveyance of Lot 1A Revised and/or Lot 1B Revised shall include and be subject to cross-easements between the owners of said Lots 1A Revised and 1B Revised for the construction, maintenance and repair of the aforesaid party walls, which cross-easements shall run with the title to both Lots.
2. There shall be constructed at ground level on Revised Lots 1A and 1B a shared front porch, shared entry area, and adjacent shared corridor, part of which shall be located upon Lot 1A Revised and part of which shall be located on Lot 1B Revised, extending across the boundary line dividing said Lots, all of which are shown as "shared areas" (shaded) on the "Ground Floor Plan" attached hereto and incorporated herein as Exhibit A. Each and every owner of Revised Lots 1A and 1B is hereby granted, jointly and severally, a perpetual right and easement to come upon, use, and enjoy the shared areas depicted on Exhibit A, to the exclusion of all persons other than the other owner(s) of Revised Lots 1A and 1B, their guests and invitees. To the extent that the shared areas are located upon either Lot 1A or 1B, the owner of the other Lot is hereby granted a perpetual, non-exclusive right and easement upon, over and across the Lot he does not own, for the limited purposes of and only as may be necessary for the owners, their guests and invitees to obtain access to and have the shared use and enjoyment of the shared areas shown on the attached Exhibit A.
3. The owners of Revised Lots 1A and 1B shall be jointly and equally responsible for maintaining the shared areas depicted on the attached Exhibit A, and for insuring them against hazards and for liabilities. All costs and expenses of insurance, maintenance, upkeep, repair, and replacement relating to or associated with the shared areas shall be borne and paid in equal shares, one-half (1/2) share per Lot, by the respective owners of Revised Lots 1A and 1B. In the event an owner of Revised Lot 1A or 1B does not receive contribution from the other owner for said owner's one-half (1/2) share of the costs of insurance, maintenance, upkeep, repair or replacement, the paying owner shall have the full right and authority to pursue contribution or reimbursement from the non-paying owner by all means available at law or in equity.
4. Each owner of Revised Lots 1A and 1B shall keep his or her Lot and the improvements located thereon in good repair and an aesthetically pleasing condition, and the owner of each said Lot hereby grants to the owner of the other Lot a perpetual right and easement to come upon the granting owner's lot for the purpose of engaging in such cleaning, decorating, repair and maintenance activities as may be necessary or desirable to comply with these restrictive covenants.



5. All of the terms, provisions, covenants and restrictions contained in this Amended and Restated Declaration of Restrictive Covenants may be enforced by the Owners of Revised Lots 1A and 1B, as well as by the Declarant, its successors and assigns.

6. In addition to the restrictive covenants imposed hereby, all of the terms, provisions and conditions of the Declaration of Covenants, Conditions and Restrictions for Bald Head Island Harbour, recorded in Book 985, Page 384, Brunswick County Registry, and the corrections, supplements and amendments thereto, as the same may be further amended from time-to-time, remain in full force and effect and fully applicable to the property and Lots described herein.

This Amended and Restated Declaration of Restrictive Covenants is executed on behalf of Declarant, as of the day and year first above written, by its duly authorized Manager.

BALD HEAD ISLAND LIMITED, LLC
a Texas limited liability company

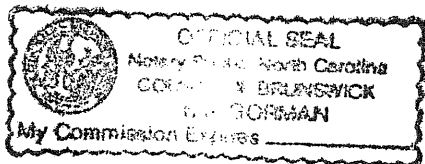
By:

M. Kent Mitchell (SEAL)
M. Kent Mitchell
Manager

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, *B. J. Gorman*, a Notary Public for said County and State, do hereby certify that M. Kent Mitchell, Manager for Bald Head Island Limited, LLC, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing instrument for and on behalf of the said Bald Head Island Limited, LLC.

WITNESS my hand and official seal, this the *18th* day of *July*, 200*7*.

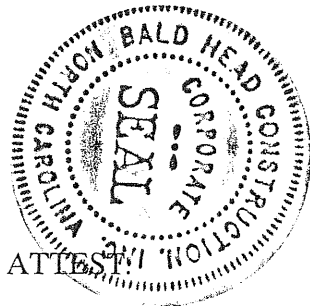


B. J. Gorman
Notary Public
My commission expires: *3/10/08*

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JOINDER AND CONSENT FOLLOWS ON NEXT PAGE.

JOINDER AND CONSENT

The undersigned Bald Head Construction, Inc., a North Carolina corporation, being the sole owner of the real property and premises known as all of Lots 1A and 1B, Bald Head Island Harbour, Bald Head Island, North Carolina, pursuant to General Warranty Deed recorded the 6th day of July, 2006, in Deed Book 2424, Page 664, Brunswick County Registry, hereby acknowledges that it has reviewed the above Amended and Restated Declaration of Restrictive Covenants for said Lots 1A and 1B, ("Amended Declaration") and the Plat of Survey for Lots 1A Revised and 1B Revised, Bald Head Island Harbour, referenced therein, and by the signature of its duly authorized officer, joins in and consents to the contents of said Amended Declaration and Plat, for itself and its successors and assigns.



BALD HEAD CONSTRUCTION, INC.

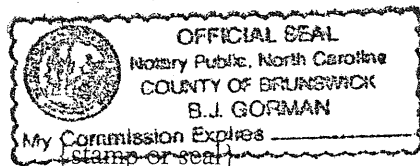
By: [Signature]
Its CHIEF EXECUTIVE OFFICER

By: [Signature]
Its Secretary

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, B. J. Gorman, a Notary Public for said County and State, do hereby certify that Judith A. Ward personally appeared before me this day and acknowledged that she is Secretary of Bald Head Construction, Inc., and that by authority duly given and as the act of Bald Head Construction, Inc., the foregoing instrument was signed in its name by its C.E.O. ~~President~~, sealed with its corporate seal and attested by her as its Secretary.

WITNESS my hand and official seal, this the 18th day of July, 2006.



[Signature]
Notary Public
My commission expires: 3/10/08

EXHIBIT A

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

